

MINUTES

STATE MINERAL AND ENERGY BOARD

REGULAR MEETING AND LEASE SALE

JUNE 13, 2012

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on Wednesday, June 13, 2012, beginning at 11:08 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

Mr. W. Paul Segura, Jr., acting as Chairman, called the meeting to order. He then requested Ms. Stacey Talley, Deputy Assistant Secretary, to call the roll for the purpose of establishing a quorum.

W. Paul Segura, Jr., Vice-Chairman
Thomas L. Arnold, Jr.
Emile B. Cordaro
Robert "Michael" Morton
Darryl D. Smith
Robert Harper, DNR Undersecretary (sitting in for Chairman Scott A. Angelle)
Chip Kline (sitting in for Garret Graves, Governor Jindal's designee to the Board)

The following members of the Board were recorded as absent:

Scott A. Angelle, Chairman
John C. "Juba" Diez
Bay E. Ingram
Thomas W. Sanders
Helen G. Smith

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

Also recorded as present were:

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

The Chairman then stated that the next order of business was the approval of the May 9, 2012 Minutes. A motion was made by Mr. Arnold to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Smith and unanimously adopted by the Board. (No public comment was made at this time.)

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

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

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

The Chairman then announced that the Board would recess its regular meeting at 11:10 a.m. and go into executive session for technical briefing in order to consider matters before the Board which were confidential in nature. A motion was made by Mr. Cordaro, seconded by Mr. Arnold, and unanimously adopted by the Board.

During the technical briefing, the Board conferred with staff personnel concerning the merit of the bids that were submitted and opened earlier today at a public meeting*, based on geological, engineering and other confidential data and analyses available to the Board and staff, after which, upon motion of Mr. Arnold, seconded by Mr. Morton, and unanimously adopted by the Board, the Board reconvened in open session at 11:15 a.m.

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

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

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on Tract 42714 to EOG Resources, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on Tract 42715 to EOG Resources, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on Tract 42716 to EOG Resources, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on Tract 42717 to EOG Resources, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on Tract 42723 to ORX Resources, L.L.C.

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on a portion of Tract 42729, said portion being 1,023.86 acres more particularly described in said bid and outlined on accompanying plat, to Synergy Land Company, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on a portion of Tract 42737, said portion being 240.0 acres more particularly described in said bid and outlined on accompanying plat, to Attic Investment, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on another portion of Tract 42737, said portion being 160.0 acres more particularly described in said bid and outlined on accompanying plat, to Attic Investment, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on a portion of Tract 42738, said portion being 1,515.74 acres more particularly described in said bid and outlined on accompanying plat, to Synergy Land Company, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on Tract 42745 to Gray Production Company.

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on Tract 42746 to Gray Production Company.

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on Tract 42747 to Gray Production Company.

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on Tract 42748 to Gray Production Company.

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on a portion of Tract 42749, said portion being 449.0 acres more particularly described in said bid and outlined on accompanying plat, to Hilcorp Energy I, L.P.

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on Tract 42750 to EOG Resources, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Morton, the Board voted unanimously to award a lease on Tract 42751 to Theophilus Oil, Gas & Land Services, LLC.

This concluded the awarding of the leases.

The following announcements were then made:

Ms. Talley stated that "the total for today's Lease Sale is \$2,948,862.22 bringing the fiscal year-to-date total for the fiscal year 2012 to just over \$34 million.

Also, registration for the August conference is now "live" and online. Brochures for the conference are available on the cart outside the door and we encourage everyone to attend."

The Chairman further pointed out that all of the Board members were provided the fliers with information on the oil and gas seminar.

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Cordaro, seconded by Mr. Smith, the meeting was adjourned at 11:17 a.m.

Respectfully submitted,

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

Victor M. Vaughn
Executive Officer
State Mineral and Energy Board

**THE FOLLOWING BID OPENING MEETING REPORT,
COMMITTEE REPORTS AND RESOLUTIONS
WERE MADE A PART OF THE JUNE 13, 2012 MINUTES
BY REFERENCE**

A public meeting for the purpose of opening sealed bids was held on Wednesday, June 13, 2012, beginning at 8:30 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

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

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

June 13, 2012

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

Gentlemen:

Certified proofs of publication have been received in the Office of Mineral Resources on behalf of the State Mineral and Energy Board for the State of Louisiana from the "Advocate," official journal for the State of Louisiana, and from the respective parish journals as evidence that Tract Nos. 42708 through 42751, have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended.

Yours very truly,

(Original signed)

Frederick D. Heck
Director
Petroleum Lands Division

Mr. Vaughn then stated that there were several letters of protest received and had been examined by legal counsel for the Board who advised that the Board was in a position to consider bids and award a lease on the protested tracts if so desired. Mr. Vaughn stated that the letters of protest were as follows:

1. Jeanerette Lumber & Shingle Co., L.L.C., dated May 10, 2012, involving Tract No. 42721.
2. Salt Domes, Partnership (3 letters), dated May 25, 2012, involving Tract Nos. 42721, 42722 and 42723.

The Letters of Protest are hereby attached and made a part of the Minutes by reference.

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

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

INLAND TRACTS

Tract 42708

No Bids

Tract 42709

No Bids

Tract 42710

No Bids

Tract 42711

No Bids

Tract 42712

No Bids

Tract 42713

No Bids

Tract 42714

Bidder	:	EOG Resources, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$479,858.96
Annual Rental	:	\$239,930.00
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

Tract 42715

Bidder	:	EOG Resources, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$518,615.46
Annual Rental	:	\$259,308.00
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

Tract 42716

Bidder	:	EOG Resources, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$511,903.08
Annual Rental	:	\$255,952.00
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

Tract 42717

Bidder	:	EOG Resources, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$480,015.92
Annual Rental	:	\$240,008.00
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

Tract 42718

No Bids

Tract 42719

No Bids

June 13, 2012

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Tract 42720

No Bids

Tract 42721

No Bids

Tract 42722

No Bids

Tract 42723

Bidder	:	ORX Resources, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$15,150.00
Annual Rental	:	\$7,575.00
Royalties	:	21.00000% on oil and gas
	:	21.00000% on other minerals
Additional Consideration	:	None

Tract 42724

No Bids

Tract 42725

No Bids

Tract 42726

No Bids

Tract 42727

No Bids

Tract 42728

No Bids

Tract 42729
(Portion – 1,023.86 acres)

Bidder	:	Synergy Land Company, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$204,772.00
Annual Rental	:	\$102,386.00
Royalties	:	21.00000% on oil and gas
	:	21.00000% on other minerals
Additional Consideration	:	None

Tract 42730

No Bids

Tract 42731

No Bids

Tract 42732

No Bids

Tract 42733

No Bids

Tract 42734

No Bids

Tract 42735

No Bids

Tract 42736

No Bids

Tract 42737
(Portion – 240.0 acres)

Bidder	:	Attic Investment, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$50,400.00
Annual Rental	:	\$25,200.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 42737
(Portion – 160.0 acres)

Bidder	:	Attic Investment, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$33,600.00
Annual Rental	:	\$16,800.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 42738
(Portion – 1,515.74 acres)

Bidder	:	Synergy Land Company, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$378,935.00
Annual Rental	:	\$189,468.00
Royalties	:	21.00000% on oil and gas
	:	21.00000% on other minerals
Additional Consideration	:	None

Tract 42739

No Bids

Tract 42740

No Bids

Tract 42741

No Bids

Tract 42742

No Bids

Tract 42743

No Bids

Tract 42744

No Bids

Tract 42745

Bidder	:	Gray Production Company
Primary Term	:	Three (3) years
Cash Payment	:	\$24,750.00
Annual Rental	:	\$12,375.00
Royalties	:	22.50000% on oil and gas
	:	22.50000% on other minerals
Additional Consideration	:	None

Tract 42746

Bidder	:	Gray Production Company
Primary Term	:	Three (3) years
Cash Payment	:	\$9,000.00
Annual Rental	:	\$4,500.00
Royalties	:	22.50000% on oil and gas
	:	22.50000% on other minerals
Additional Consideration	:	None

Tract 42747

Bidder	:	Gray Production Company
Primary Term	:	Three (3) years
Cash Payment	:	\$15,180.00
Annual Rental	:	\$7,590.00
Royalties	:	22.50000% on oil and gas
	:	22.50000% on other minerals
Additional Consideration	:	None

Tract 42748

Bidder	:	Gray Production Company
Primary Term	:	Three (3) years
Cash Payment	:	\$4,048.00
Annual Rental	:	\$2,024.00
Royalties	:	22.50000% on oil and gas
	:	22.50000% on other minerals
Additional Consideration	:	None

Tract 42749
(Portion – 449.0 acres)

Bidder	:	Hilcorp Energy I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$132,455.00
Annual Rental	:	\$66,227.50
Royalties	:	23.75% on oil and gas
	:	23.75% on other minerals
Additional Consideration	:	None

SCHOOL INDEMNITY LANDS TRACT

Tract 42750

Bidder	:	EOG Resources, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$79,138.80
Annual Rental	:	\$39,570.00
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

Tract 42750

Bidder	:	McGinty-Durham, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$51,573.60
Annual Rental	:	\$25,787.00
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

TAX ADJUDICATED LANDS TRACT

Tract 42751

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Five (5) years
Cash Payment	:	\$11,040.00
Annual Rental	:	\$5,520.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

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

Respectfully submitted,

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

Victor M. Vaughn
Executive Officer
State Mineral and Energy Board

State Lease Sale 06/13/12

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Included in the above described lands is no State owned land or waterbottoms and therefore protest is hereby formally made to any proposed leasing of the above described land.

Kindly call this to the attention of any prospective bidder, as we will object to any leases being made by the State of Louisiana on any acreage in Tract Number 42721 which is also included in the above described property.

Yours very truly,

JEANERETTE LUMBER & SHINGLE CO., L.L.C.



Robert J. Kinler

RJK/mmk

Salt Domes, Partnership

Phone (337) 369-3649
31 Oak Place
New Iberia, Louisiana 70563

Phone (985) 395-9576
107 McGee Drive
P.O. Box 7
Patterson, Louisiana 70392

May 25, 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Office of Mineral Resources
State Land and Natural Resources Building
Post Office Box 2827
Baton Rouge, Louisiana 70821

RECEIVED
OFFICE OF
MINERAL RESOURCES
STATE MINERAL BOARD
2012 MAY 29 PM 2:34

RE: Proposed State Lease Sale on Tract 42721
St. Martin Parish, Louisiana

Gentlemen:

We have received notice of a proposed mineral lease sale for June 13, 2012, relating to the captioned tract, which sale will include "all of the lands now or formerly constituting the beds and bottoms of all waterbodies of every nature and description, and all islands and other lands formed by accretion or reliction".

Salt Domes Partnership is a private landowner with lands in Sections 4 & 9, T10S-R9E, St. Martin Parish, included within the proposed Tract 42721. There are no State-owned lands, or lands now or formerly constituting the beds or bottoms of waterbodies located on or within the lands of Salt Domes Partnership located within proposed Tract 42721. Additionally, portions of Salt Domes Partnership lands located within Tract 42721 are located adjacent to the beds of streams from which accretion has attached to the adjacent lands. As a matter of Louisiana law, the accretion is owned by the adjacent private landowner. To the extent that the notice for Tract 42721 purports to state a land ownership claim by the State of Louisiana to our fee lands in Sections 4 & 9, T10S-R9E and/or any accretion or reliction attached thereto, Salt Domes Partnership objects to and opposes the proposed lease.

I will be available to review and discuss this matter with representatives of the State Mineral Board, or the proposed Lessee.

Very truly yours,

SALT DOMES PARTNERSHIP



Rudy C. Sparks
Manager

RCS/dh

Salt Domes, Partnership

Phone (337) 369-3649
31 Oak Place
New Iberia, Louisiana 70563

Phone (985) 395-9576
107 McGee Drive
P.O. Box 7
Patterson, Louisiana 70392

May 25, 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Office of Mineral Resources
State Land and Natural Resources Building
Post Office Box 2827
Baton Rouge, Louisiana 70821

RECEIVED
OFFICE OF
MINERAL RESOURCES
STATE MINERAL BOARD
2012 MAY 29 PM 2:34

RE: Proposed State Lease Sale on Tract 42722
St. Martin Parish, Louisiana

Gentlemen:

We have received notice of a proposed mineral lease sale for June 13, 2012, relating to the captioned tract, which sale will include "all of the lands now or formerly constituting the beds and bottoms of all waterbodies of every nature and description, and all islands and other lands formed by accretion or reliction".

Salt Domes Partnership is a private landowner with lands in Section 4, T10S-R9E, St. Martin Parish, included within the proposed Tract 42722. There are no State-owned lands, or lands now or formerly constituting the beds or bottoms of waterbodies located on or within the lands of Salt Domes Partnership located within proposed Tract 42722. Additionally, portions of Salt Domes Partnership lands located within Tract 42722 are located adjacent to the beds of streams from which accretion has attached to the adjacent lands. As a matter of Louisiana law, the accretion is owned by the adjacent private landowner. To the extent that the notice for Tract 42722 purports to state a land ownership claim by the State of Louisiana to our fee lands in Section 4, T10S-R9E and/or any accretion or reliction attached thereto, Salt Domes Partnership objects to and opposes the proposed lease.

I will be available to review and discuss this matter with representatives of the State Mineral Board, or the proposed Lessee.

Very truly yours,

SALT DOMES PARTNERSHIP



Rudy C. Sparks
Manager

RCS/dh

Salt Domes, Partnership

Phone (337) 369-3649
31 Oak Place
New Iberia, Louisiana 70563

Phone (985) 395-9576
107 McGee Drive
P.O. Box 7
Patterson, Louisiana 70392

May 25, 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Office of Mineral Resources
State Land and Natural Resources Building
Post Office Box 2827
Baton Rouge, Louisiana 70821

RE: Proposed State Lease Sale on Tract 42723
St. Martin Parish, Louisiana

RECEIVED
OFFICE OF
MINERAL RESOURCES
STATE MINERAL BOARD
2012 MAY 29 PM 2:35

Gentlemen:

We have received notice of a proposed mineral lease sale for June 13, 2012, relating to the captioned tract, which sale will include "all of the lands now or formerly constituting the beds and bottoms of all waterbodies of every nature and description, and all islands and other lands formed by accretion or reliction".

Salt Domes Partnership is a private landowner with lands in Section 9, T10S-R9E, St. Martin Parish, included within the proposed Tract 42723. There are no State-owned lands, or lands now or formerly constituting the beds or bottoms of waterbodies located on or within the lands of Salt Domes Partnership located within proposed Tract 42723. Additionally, portions of Salt Domes Partnership lands located within Tract 42723 are located adjacent to the beds of streams from which accretion has attached to the adjacent lands. As a matter of Louisiana law, the accretion is owned by the adjacent private landowner. To the extent that the notice for Tract 42723 purports to state a land ownership claim by the State of Louisiana to our fee lands in Section 9, T10S-R9E and/or any accretion or reliction attached thereto, Salt Domes Partnership objects to and opposes the proposed lease.

I will be available to review and discuss this matter with representatives of the State Mineral Board, or the proposed Lessee.

Very truly yours,

SALT DOMES PARTNERSHIP



Rudy C. Sparks
Manager

RCS/dh



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

LEASE REVIEW COMMITTEE REPORT

A meeting of the Lease Review Committee of the State Mineral and Energy Board convened on Wednesday, June 13, 2012 at 9:40 a.m. with the following members of the board in attendance: Mr. Thomas L. Arnold, Jr., Mr. Emile B. Cordaro, Mr. Robert "Michael" Morton, Mr. Darryl D. Smith, Mr. Robert D. Harper, sitting in for DNR Secretary Scott A. Angelle and Mr. Chip Kline, sitting in for Garrett Graves, Governor Jindal's designee to the State Mineral and Energy Board.

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

I. Geological and Engineering Staff Review

According to SONRIS there are 1,907 active State Leases covering nearly 848,000 acres. The Geological and Engineering Division has reviewed approximately 203 leases covering 83,000 acres.

II. Committee Review

1. A staff report on **State Lease 1217**, Bay De Chene Field. Jefferson and Lafourche Parishes. Swift Energy Operating, LLC is the lessee.

The recommendation was to grant Swift's requested extension until 12/31/12 to spud their obligatory well located on or affecting the non-productive acreage on lease or release 700 acres.

2. A staff report on **State Lease 2620**, Lake Pelto Field. Terrebonne Parish. Apache Corporation and Energy Partners, LP are lessees.

The recommendation was to grant Apache's requested extension until 12/12/12 to submit a report that would include (1) findings from their ongoing field study to identify new reserves and (2) the results of the workover and recompletion activity.

3. A staff report on **State Leases 3762 and 3763**, Vermilion Block 16 Field. Vermilion Parish. Harvest Oil & Gas, LLC is the operator.

The recommendation was to grant Harvest until 9/12/12 to provide an update on the drilling of the SL 3763 #14 well, sn 244687.

III. Report on actions exercised by the Staff under delegated authority

No Objection to 29-E Waiver, Helis Oil & Gas Company, SL 195 QQ Well No 40, SN 244636 and SL 195 QQ Well No. 39, SN 243053, Southeast Black Bay Field, Plaquemines Parish affecting State Lease 195-B, Black Bay.

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

IV. Report on Force Majeure

Request by Apache recognition of force majeure condition affecting Operating Agreement A0137 and a portion of State Lease 12105, resulting from a Texas Gas pipeline explosion beginning April 9, 2012.

Request by Black Elk Energy recognition of force majeure condition affecting State Leases 4237 and 14905 resulting from a Texas Gas pipeline explosion beginning April 9, 2012.

Request by Energy Properties Inc. recognition of force majeure condition affecting State Lease 725 resulting from a Texas Gas pipeline explosion beginning April 9, 2012.

Request by Hilcorp Energy recognition of force majeure condition affecting State Leases 16100 and 16293 resulting from a Texas Gas pipeline explosion beginning April 9, 2012.

Updated 6/5/2012

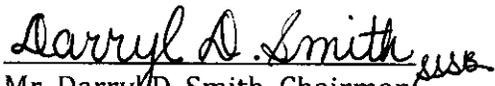
Company Name	Lease Numbers
Leases Off Production Due to Non-storm Related Force Majeure Events	
Apache Corporation	A0137, 12105
Bay Gas LLC	19930
Black Elk Energy	4237, 14905
Chevron	19534, 19536, 19547
Energy Properties Inc.	725
Harvest Operating LLC	12002
Hilcorp Energy Corp.	16100, 16293
Stone Energy	15074, 17309, A0285

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

On motion by Mr. Cordaro, seconded by Mr. Morton, the Committee moved to adjourn its June 13, 2012 meeting at 9:46 a.m.

Respectfully submitted,


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

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD LEASE REVIEW COMMITTEE

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

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

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

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

WHEREAS, these companies report that the following State Leases and Operating Agreements are currently shut-in as a direct result of the pipeline explosion: State Leases 725, 3401, 3475, 4237, 4238, 12105, 14905, 15307, 16100, 16293 and Operating Agreements A0136 & A0137;

WHEREAS, SL 725, 3401, 4238, 12105(Portion) and 15307 and Operating Agreement A0136 can be maintained with gas well shut-in payments and the operators have been advised to submit these payments timely;

WHEREAS, SL 4237, 12105(Portion), 14905, 16100, and 16293 and Operating Agreement A0137 cannot be maintained by any other means under the lease other than the recognition of a force majeure;

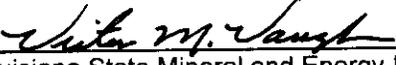
WHEREAS, leases lacking force majeure language should be amended at a future Mineral and Energy Board meeting to include a "Force Majeure" provision which allows the Operator to maintain this agreement without complying with the actual drilling or reworking operations or by actual production requirements for as long as the force majeure is in effect;

WHEREAS, these operators have submitted the initial reports by submitting notarized affidavits attesting to the facts in their respective matters and will submit an impact statement for each and amend state leases as necessary;

NOW THEREFORE BE IT RESOLVED that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby recognize and acknowledge the force majeure event as of April 9, 2012 due to rupture and subsequent explosion of the pipeline operated by Texas Gas that prevent sale and transportation of gas from wells and production facilities to maintain State Leases 725, 3401, 3475, 4237, 4238, 12105, 14905, 15307, 16100 and 16293 and Operating Agreements A0136 & A0137 in Terrebonne and Lafourche Parishes, Louisiana. The Board suspends the 90 day continuous operations and production clause until such time as the gas pipeline service is restored permitting the companies to restore production to the state leases or until the September 12, 2012 Board Meeting whichever occurs first. At which time, the companies will have the remainder of the 90 days to establish downhole operations or restore production on the aforementioned state leases. The operators shall submit monthly updates and diligently pursue re-establishing production. The Board reserves its right to reconsider this matter at any time.

CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



Louisiana State Mineral and Energy Board



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: June 14, 2012 7:54 AM

District Code 1 New Orleans- East
Get Review Date June 13, 2012

Table with 7 columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Contains 25 rows of lease data including fields like GRAND BAY, BRETON SOUND BLOCK, MAIN PASS BLOCK, and CLAM BAY.



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
18654		LAKE CAMPO	532.681 04/09/2009	401.319	401.319	JUN. AR
19050		BRETON SOUND BLOCK 53	VUD;SL 19391 03/14/2012	834.79	834.79	JUN. SUGGEST AR 5/4/12 JMB NEW 242252 306530 SL 19391 = VUD SMEB APPROVED 3/12, PRDG TO 3/12. JPT WATING FOR VUD LUW CODE TO BE ISSUED BY OOC. DD 8/9/12 & PT 8/9/11
19051		BRETON SOUND BLOCK 53	VUD;SL 19391 03/14/2012	110.22	110.22	JUN. SUGGEST AR 5/4/12 JMB NEW 242252 306530 SL 19391 = VUD SMEB APPROVED 3/12, PRDG TO 3/12. JPT WATING FOR VUD LUW CODE TO BE ISSUED BY OOC. ;, NOV. DD 8/9/12 PT 8/9/11
19052		BRETON SOUND BLOCK 53	VUD;SL 19391 03/14/2012	383.12	383.12	JUN. SUGGEST AR 5/4/12 JMB NEW 242252 306530 SL 19391 = VUD SMEB APPROVED 3/12, PRDG TO 3/12. JPT WATING FOR VUD LUW CODE TO BE ISSUED BY OOC. ;, NOV. DD 8/9/12 PT 8/9/11
19080		BRETON SOUND BLOCK 53	VUD;SL 19391 03/14/2012	20.17	20.17	JUN. AR 5/4/12 JMB NEW 242252 306530 SL 19391 = VUD SMEB APPROVED 3/12, PRDG TO 3/12. JPT WATING FOR VUD LUW CODE TO BE ISSUED BY OOC.
19347		BRETON SOUND BLOCK 53	VUD;SL 19391 03/14/2012	2.24	2.24	JUN. SUGGEST AR 5/4/12 JMB NEW 242252 306530 SL 19391 = VUD SMEB APPROVED 3/12, PRDG TO 3/12. JPT WATING FOR VUD LUW CODE TO BE ISSUED BY OOC. AUG. PT 5/9/12
19669		BRETON SOUND BLOCK 53	VUD;SL 19391 03/14/2012	137.39	137.39	JUN. SUGGEST AR 5/4/12 JMB NEW 242252 306530 SL 19391 = VUD SMEB APPROVED 3/12, PRDG TO 3/12. JPT WATING FOR VUD LUW CODE TO BE ISSUED BY OOC. ;, AUG. DD 5/14/12 PT 5/14/11
20034		MAIN PASS BLOCK 46		160	495.89	JUN. PT 3/11/12 *AC* WELL BY 3/11/12 OR \$49,589 BY 4/11/12 11/15/11 JPT: *AC* HAS BEEN MET & 160 PRD AC VIA 227502
20103		MAIN PASS BLOCK 35		0	40	JUN. ASK CCB CK LEASE STATUS 12/15/11 RCD EMAIL RE COIL TUBING OPS ON 227644 11/2/11 CCB ADVISED LEASE HB OPS ON 227644 < REL RQD 9-29-11 9/29/11 RS JMB: APP EXP, LAST PRD 4/11.
20340				0	762.56	MAY. 5/23/12 REL RQD 5-22-12 APP EXP REQ REL PER MIKE B ;5-21-12 RS TO MIKE B PT 5/12/13
20423		BRETON SOUND BLOCK	VUD;SL 19391	32.13	32.13	JUN. 5/4/12 JMB NEW 242252



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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
		53	03/14/2012			306530 SL 19391 = VUD SMEB APPROVED 3/12, PRDG TO 3/12. JPT WATING FOR VUD LUW CODE TO BE ISSUED BY OOC. DEC. PT 9/8/15
20670		CHIPOLA	L TUSC A RA SUB;HURST 05/03/2011 1511-A	.708	2	JUN. 6/5/12 RCD>5/16/12 DDPMT SHORT \$515.15, OTHERWISE ACCEPTABLE 5/16/12 DDPMT SHORT \$515.15, OTHERWISE ACCEPTABLE 5/15/12 DDPMT TO JMB PT 7/13/14

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00212		LAKE WASHINGTON	K RB SUA;COCKRELL-MORAN 12/07/2010 149-HHHH-1	3375	3875	JUN. AR
00212A		LAKE WASHINGTON	K RB SUA;COCKRELL-MORAN 12/07/2010 149-HHHH-1	92	92	JUN. AR
00707		LAKE HERMITAGE	UL 6 RB SUA;LLDSB 474-H 00-706	470	470	JUN. AR
00978		SOUTH PASS BLOCK 24 , SOUTH PASS BLOCK 24 OFFSHORE(8453 7/97 , WEST DELTA BLOCK 52 , WEST DELTA BLOCK 53	8000 (S) RH SUH;SL 978 227-A-2 98-781	440	796 71	JUN. REC;D PALM ENERGY 4/17/12 RPT
00979		WEST DELTA BLOCK 53 , WEST DELTA BLOCK 55	224739-SL 979-031 11/21/2000	2485	3205.54	JUN. REC'D PALM ENERGY 4/17/12 RPT
01217		BAY DE CHENE , GOLDEN MEADOW	VUB;BDC UB	1531	4041	JUN. OB 6/1/12 RCD SWIFT'S LTR DATED 5/16/12 RQG EXT TO 12/31/12 TO SPUD. < 3/14/12 SWIFT WELL WITHIN 180 DAYS, 9/10/12, DRL WELL OR 700 AC PR.
02747		BASTIAN BAY	J-LL RA SUA;LL&E C 08/26/2008 339-NNNN 08-1260	100	208	JUN. AR
03155		BASTIAN BAY	J S ABERCROMBIE	328.464	520	JUN. AR
03240		LAKE PALOURDE, EAST	CRIS 1 RB SUA;P R NORMAN B 06/20/2000 357-G-4	1 61	1.61	JUN. AR 4/5/12 JMB 050783 NEW W PLAT
03734		BAYOU SEGNETTE	227629-B SEG CELOTEX SU;CELOTEX CORP- 006 01/18/2003	20.212	20.212	JUN. AR
06024		LAKE ENFERMER	F2 RA SUA;LAF RLTY CO 09/16/2003 340-HH 03-659	17 66	17.66	JUN. AR NO ROYALTY SINCE 05/09
14498		BAY MARCHAND BLOCK 2 OFFSHORE	VUA;	163.67	163.67	JUN. AR
14537		BASTIAN BAY	28.53 02/25/2008	23.93	23 93	JUN. AR
15310		BAY MARCHAND BLOCK 2 OFFSHORE	VUA,	16.43	16.43	JUN AR
15736		BAYOU SHERMAN , LAKE PALOURDE, EAST	62.797 07/17/2002	2.875	2.875	JUN. AR 4/5/12 JMB 050783 NEW W PLAT
15970		BAY MARCHAND BLOCK 2 OFFSHORE	VUA;	19.55	19.55	JUN AR



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Table with 7 columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Rows include lease numbers 16255 through 20061 with various field names and activity dates.



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Staff Reviews

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
20062				0	2261	JUN. 5/23/12 REL RQD 5-22-12 APP EXP PER MIKE B 5-21-12 RS TO MIKE B PT 5/13/12
20063				0	698	JUN. 5/23/12 REL RQD 5-22-12 APP EXP PER MIKE B 5-21-12 RS TO MIKE B PT 5/13/12
20065				0	55.58	JUN. 5/23/12 REL RQD 5-22-12 APP EXP PER MIKE B 5-21-12 RS TO MIKE B PT 5/13/12
20066				0	146.74	JUN. 5/23/12 REL RQD 5-22-12 APP EXP PER MIKE B 5-21-12 RS TO MIKE B PT 5/13/12
20067				0	107	JUN. 5/23/12 REL RQD 5-22-12 APP EXP PER MIKE B 5-21-12 RS TO MIKE B PT 5/13/12
20068				0	70.45	JUN. 5/23/12 REL RQD 5-22-12 APP EXP PER MIKE B 5-21-12 RS TO MIKE B PT 5/13/12
20069				0	279.1	JUN. 5/23/12 REL RQD 5-22-12 APP EXP PER MIKE B 5-21-12 RS TO MIKE B PT 5/13/12
20070				0	251.04	JUN. 5/23/12 REL RQD 5-22-12 APP EXP PER MIKE B 5-21-12 RS TO MIKE B PT 5/13/12
20071				0	164.58	JUN. 5/23/12 REL RQD 5-22-12 APP EXP PER MIKE B 5-21-12 RS TO MIKE B PT 5/13/12
20608				0	11.38	JUN. 5/23/12 REL RQD 5-22-12 APP EXP PER MIKE B 5-21-12 RS TO MIKE B PT 5/11/14
20783				0	1530	JUN. JPT: F 6/1/12 MANTI OPERATING IS PROPOSING TO FILE WITH THE OC 3 DRLG UNITS THAT INCLUDE SL 20783.



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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00340B		BELLE ISLE	3037 08/16/2011	2100	6400	JUN. 5/3/12 OMR TO APACHE GRANTED >RCD APACHE REQ 6MOS EXT>: DEV UPDATE BY 10/10/12
00340B		BELLE ISLE, SOUTHWEST	3037 08/16/2011	2100	6400	JUN. 5/3/12 OMR TO APACHE GRANTED >RCD APACHE REQ 6MOS EXT>: DEV UPDATE BY 10/10/12
00341		BATEMAN LAKE	BAL SU	1000	1000	JUN. AR 5/2/12 JCJ HBP 47192, 700700 PRD & ROY TO 2/12
02620		LAKE PELTO	309.71 11/15/2010	1350	2362.715	JUN. OB RCD APACHE-6 MO EXTENSION REQ (& CASTEX) 5/9/12 FIELD STUDY & WORKOVER/RECOMP ACTIVITY
03584		PATTERSON	PA DB-3 RC SU 02/01/1995	55	55	JUN. AR 5/2/12 JCJ HBP 213475, 611349 PRD & ROY TO 2/12
03762		VERMILION BLOCK 16	SL 3762	0	875.69	JUN. OB SPUD 244687 BY 6/5/12 1/11/12 VMV TO B.DUPLANTIS/SARATOGA: W/IN 90 DAYS (4/12/12=EXT TO 5/6/12) RESTORE PRD IN PAYING QUANTITIES OR SPUD 1 PERM WELL OR REL W/IN 30 DAYS OF 90 DAYS (5/12/12). IF PRD IN PAYING QUAN W/IN 90 DAYS, W/IN 180 DAYS (7/11/12) SPUD 1 PERM WELL OR SUBMIT 520 AC PR. ETC
03763		VERMILION BLOCK 16	VUA;SL 3762 07/09/2008	0	1279.14	JUN. OB GRNTD 2ND EXT TO 6/5/12 TO SPUD 243948 1/11/12 VMV TO B.DUPLANTIS/SARATOGA: W/IN 90 DAYS (4/12/12 EXT TO 5/6/12) RESTORE PRD IN PAYING QUANTITIES OR SPUD 1 PERM WELL OR REL W/IN 30 DAYS OF 90 DAYS (5/12/12). IF PRD IN PAYING QUAN W/IN 90 DAYS, W/IN 180 DAYS (7/11/12) SPUD 1 PERM WELL OR SUBMIT 520 AC PR. ETC
05419		LAKE ARTHUR, SOUTH	U MIOGYR RA SUE;GLENN 10/01/1990	239.134	245	JUN. AR 5/2/12 JCJ HBP 205412, 610038 PRD TO 3/12 & ROY TO 1/12
05683		DEER ISLAND , DEER ISLAND, WEST	CL&F 21 07/08/2009	1.36	18.6	JUN. AR 6/6/12 RWB CHANGED PRD AC FROM 6.51 TO 1.36 5/2/12 JCJ: HBP 240180, 047826 PRD & ROY TO 2/12
07964		RICHIE, EAST	12.616 04/21/1989	7.384	7 384	JUN. AR 5/2/12 JCJ HBP 184502, 034153 PRD TO 3/12 & ROY TO 2/12
10835		LAKE SAND	VUA;SL 10835 12/01/1997	641.02	641.02	JUN. 5/3/12 RQD REL 5/1/12 RS RWB: APP EXP. NO PROD OR ROYALTY HOLDING LEASE. LAST PRD 8/11 AUG. AR

Louisiana Department of Natural Resources (DNR)

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Staff Reviews

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
11151		WHITE LAKE, WEST	47.845 05/14/2009	180.942	180.942	JUN. AR 5/2/12 JCJ HBP 205552, 042808 PRD & ROY TO 2/12
11279		LAKE SAND	225530-VUA,SL 11279- 001-D 12/23/2000	160	160	JUN. 5/3/12 RQD REL 5/1/12 RS RWB: APP EXP. NO PROD OR ROYALTY HOLDING LEASE. LAST PRD 8/11 REQ FULL REL AUG. AR
12608		CROCODILE BAYOU	10350 RA SUA;ST MARTIN PSB (L) 01/01/1990	16.444	16.444	JUN. AR 6/7/12 JPT HAS INFO ON DOWNHOLE OPS
12897		LAKE SAND	VUA;SL 10835 12/01/1997	187.5	187.5	JUN. 5/3/12 RQD REL 5/1/12 RS RWB: APP EXP. NO PROD OR ROYALTY HOLDING LEASE. LAST PRD 8/11 REQ FULL REL AUG. AR
13403		LAKE SAND	VUA;SL 10835 12/01/1997	57	57	JUN. 5/3/12 RQD REL 5/1/12 RS RWB APP EXP. NO PROD OR ROYALTY HOLDING LEASE. LAST PRD 8/11 REQ FULL REL AUG. AR
14851		SHIP SHOAL BLOCK 65	VUB,SL 14851	210	210	JUN. AR 5/2/12 JCJ HBP 223122, 148874 PRD & ROY TO 2/12 ;
15784		PASS DES ILETTES	VUA;LL&E FEE 06/01/1998	71.809	71.809	JUN. AR 5/2/12 JCJ HBP 221055, 303377 PRD & ROY TO 2/12 ;
16046		RAMOS	OPERC 5 RA SUA;CM THIBODAUX CO 389-H 98-570	1.7	1.7	JUN. AR 5/2/12 JCJ HBP 222893, 613775 PRD TO 1/12 & ROY TO 2/12 ;
16049		RAMOS	OPERC 5 RA SUA;CM THIBODAUX CO 389-H 98-570	62.3	62.3	JUN. AR 6/8/12 SSSB: HBP 612951 & 613775 PRDG TO 3/12
16051		RAMOS	OPERC 5 RA SUA;CM THIBODAUX CO 389-H 98-570	36.5	36.5	JUN. AR 5/2/12 JCJ HBP 225165, 612951 PRD TO 1/12 & ROY TO 2/12 ;
16121		CAILLOU ISLAND	D12 RA VUA;SL 16121 02/12/2003	160	218.29	JUN. AR 5/2/12 JCJ HBP 227446, 615015 PRD & ROY TO 2/12 ;
16446		LAPEYROUSE	17.582 03/24/2009	4.25	4.25	JUN. AR 5/2/12 JCJ HBP 230697, 614426 PRD 1/12 & ROY TO 2/12 ;
16705		LAKE PELTO	159.99 07/16/2002	282.01	282.01	JUN. AR 5/2/12 JCJ HBP 232039, 304265 PRD 3/12 & ROY TO 2/12 ;
16985		EUGENE ISLAND BLOCK 18	23.29 04/22/2008	13.41	13.41	JUN. AR 5/2/12 JCJ HBP 217556 611938 PRD 3/12 & ROY TO 2/12 ;
16988		EUGENE ISLAND BLOCK 18	561.7 04/22/2008	207.069	207.069	JUN. AR 5/2/23 JCJ: HBP 217556 611938 PRD TO 3/12, ROY TO 2/12

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
16995		INTRACOASTAL CITY	74.023 11/15/2011	86.947	86.947	JUN. 2/6/12 RCD OFL 74.023 PR RTNG 86.947 EFF 11/15/11 ON 5/12 REL LIST - 228882 LAST PRD 12/11, RECK PRD 9/12
17121		EUGENE ISLAND BLOCK 18	92.84 07/22/2008	78.04	78.04	JUN 6/4/12 REL RQD 6/1/12 RS JPT: APP EXP
17208		INTRACOASTAL CITY	35.841 11/15/2011	1.691	1.691	JUN. 228882 LAST PRD 12/11, RECK PRD 9/12 5/21/12 RCD OFL PR RTNG 1.691 EFF 11/15/11, ON 5/12 REL LIST
17210		DEER ISLAND , PALMETTO BAYOU	8.337 05/20/2008	5.818	5.818	JUN. AR 5/2/12 JCJ: HBP 237056 304551 PRD TO 2/12, ROY TO 12/11
17226		INTRACOASTAL CITY	31.329 11/15/2011	10.831	10.831	JUN. AR 228882 LAST PRD 12/11 RECK 9/12 2/6/12 RCD OFL PR RTNG 10.831 EFF 11/15/11 ON 5/12 REL LIST
17234		BAY BAPTISTE	25.848 05/01/2009	33.64	33.64	JUN. 5/17/12 REL RQD 5/17/12 RS RWB: APP EXP
17534		BOURG	1.955 04/24/2009	2.079	2.079	JUN. 5/17/12 REL RQD 5/17/12 RS RWB: APP EXP
17567		BAY BAPTISTE	3.561	16.856	16.856	JUN. 5/17/12 REL RQD 5/17/12 RS RWB. APP EXP
17728		VERMILION BLOCK 16	VUA;SL 17159 06/08/2005	558.08	558.08	JUN. 6/7/12 RS TO RWB & JPT: APP EXP 6/6/12 RWB: MCMORAN IS WORKING ON REL. 3/12/12 RS RWB. LEASE HB DOWNHOLE ATTEMPTS TO RESTORE PRD CEASED 1/5/12. MCMORAN HAS UNTIL 4/5/12 TO RESTORE PRD OR REL. LEASE HELD UNTIL 4/5/12.
17754		LAKE BOUDREAUX	VUB;APACHE LA MINERALS INC 75 05/12/2004	426.314	426.314	JUN. AR 5/2/12 JCJ: HBP 230840 305137 PRD TO 3/12, ROY TO 1/12
17991		LAKE PAGIE, SW	418.449 03/15/2007	31.3	31.3	JUN. 5/17/12 REL RQD 5/17/12 RS RWB: APP EXP
18090		LAC BLANC	1296.62 06/08/2009	1203.13	1203.13	JUN. AR 5/2/12 JCJ: HBP 231529 614641 PRD TO 3/12, ROY TO 2/12
18091		LAC BLANC	1759.78 06/08/2009	444.29	444.29	JUN. AR 5/2/12 JCJ: HBP 231529 614641 PRD TO 3/12, ROY TO 2/12
18092		LAC BLANC	199.1 06/08/2009	96.59	96.59	JUN. AR 5/2/12 JCJ: HBP 231529 614641 PRD TO 3/12, ROY TO 2/12
18348		HORSESHOE BAYOU	678.544 05/08/2008	14.796	14.796	JUN. 5/15/12 REL RQD 5/14/12 APP EXP PER CB; RS TO CHARLES B DEC. AR
19397		EUGENE ISLAND BLOCK 10	CIB OP EI 10 VUC;SL 19266 01/27/2012	9.44	52.48	JUN. 6/12/12 DDPMT APPROVED TO 6/13/13 PT 6/13/12



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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
20569				0	670	244375, NO LUW, YET PT 3/9/14 WHITE LAKE ERODED SHORELINE JUN. 6/6/12 RWB: DRDL DRY HOLE, 90 DAYS FROM 5/8/12 (8/6/12) TO PAY RNTL OR REL ALL AC PT 3/9/14 WHITE LAKE
20570				0	366	JUN. 6/6/12 RWB: DRDL DRY HOLE, 90 DAYS FROM 5/8/12 (8/6/12) TO PAY RNTL OR REL ALL AC ;; PT 3/9/14 WHITE LAKE
20904		PASS WILSON		40	152.89	JUN. PT 3/14/15 211216 050923 SL 20904 #1 BEGAN OIL PRD 3/12



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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
05849		ELM GROVE	HA RA SU73;E E JOHNSON EST 19H 10/13/2009 361-L-59 09-1104	580	580	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD 4/16/12 SRVY PLAT RQD PETROHAWK; HA RA SU65 241545; 616694
06003		REDOAK LAKE	99.285 03/27/1993	112.608	112.608	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
06708		ELM GROVE	HA RA SU93;HUTCHINSON 28 H 11/10/2009 361-L-66 09-1187	70.65	70.65	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
08086		SIMSBORO, WEST	HOSS RA SUI;LUDLEY 08/01/1980 327-B-2 80-412	39	39	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
08936		CADDO PINE ISLAND	CABI VIV RA SU 03/01/1993	4.45	4.45	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
09312		CASPIANA	HA RA SU135;WHELESS ETAL 5 11/10/2009 191-H-68 09-1177	2.88	2.88	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
10575		COTTON PLANT	HOSS RA SUP;MANVILLE F P 19 08/01/1985	40.21	40.21	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
13045		GAHAGAN	HA RA SUX;MICIOTTO 16 H 03/16/2010 909-H-7 10-275	102.84	110	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
16125		ELM GROVE	LCV RA SUY;HUTCHINSON 9 06/03/2008 361-E-496	8.14	8.14	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
16420		ELM GROVE	HA RA SU77;MERCER 17 07/01/2009 361-L-43 09-686	50.394	50.394	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
16677		ELM GROVE	CV RA SU6;ROGERS ETAL 35 10/01/1973 361-B 73-286	17.731	17.731	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
16826		ROUTH POINT	WX C2 RA SUA;COLEMAN 02/12/2004	.5	.5	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
17313		ROUTH POINT	128.9 03/01/2004	48.1	48.1	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
17329		CONVERSE	HA RA SUC;BSM 31 H 04/07/2009 501-G 09-376	37.35	37.35	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
17914		RED RIVER-BULL BAYOU , THORN LAKE	HA RA SUCC;BETHARD CORP 13 H 05/11/2010 1145-B-30 10-532	13.985	13.985	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD 2/14/12 JPT: 616987 NEW DISPUTED 7/19/11 JPT PRELIMINARY 54 616613

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: June 14, 2012 7:54 AM

District Code 3 Lake Charles- North

Get Review Date June 13, 2012

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
18181		ELM GROVE	HA RA SUYY;SCHMIDT 5-16-10 H 01/05/2010 361-L-71 10-8	589	589	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
18606		BRACKY BRANCH , RED RIVER-BULL BAYOU	HA RB SU65,DUPREE LAND 20 H 08/10/2009 109-X-62 09-971	30	30	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
18858		SHREVEPORT	85 13 03/17/2010	373.87	373.87	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
19306		DIXIE	CV RA SUC;FRANKS 18 04/24/2007 1505 07-368	3.971	50.141	JUN. AR 5/23/12 PR RQD 5/22/12 RS RQD BY SAM LEASE PARTIALLY HELD SN 234628 LUW 614901
19435		CADDO PINE ISLAND	26 04/15/2011	26	26	JUN. RELEASE SENT TO LEGAL 5-23-12 5/22/12 RS: APP EXP PER SAM R
19459		CASPIANA	HOSS RA SU134;MCFERREN 36 10/21/2008 191-B-217	1.43	192.08	JUN. AR 5/10/12 FUL RQD PR 3/22/12 RQD STATUS OF PR 8/24/11 PR RQD 8/18/11 RS SAM. 1 43 HPB, ~ 195 AC APP EXP 6/9/11 JPT: PRELIM 2 TRNSMTL 6-9-11 616299
19483		ELM GROVE	HA RA SU118,MAGNOLIA POINT LANDS 38 H 05/04/2010 361-L-81 10-501	100	100	JUN. AR 6/7/11 HA RA SU118;MAGNOLIA POINT LANDS 38 H (LUW 616624) THIS UNIT IS IN RED RIVER; PRELIMINARY SURVEY UNIT PLAT NOT MADE AVAILABLE TO G&E
19576		BAYOU SAN MIGUEL	JUR RA SUM;OLYMPIA MINERALS 6 01/23/2008 1513 08-65	177.908	177.908	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
19581		ROSELAND	30 7 06/01/2009	37.8	37.8	JUN. AR 4/27/12 SAM: 100%HBP, RYTY PD
19623				0	110	JUN. 6/4/12 RQD REL 6/1/12 RS SAM: APP EXP 5/2/12 RQD STATUS OF REL: VRB 3RD REQ FOR ASSIGNMENT 9/28/11 REL RQD 4/1/11 RQD REL 3/25/11 RS SAM: APP EXP PT 3/12/11 SCHOOL INDEMNITY
19692		WOODARDVILLE	HA RA SUHH;BRENDA JONES 5 12/09/2008 990-D-5 08-1816	8.31	8.31	JUN AR 4/27/12 SAM: 100% HBP, RYTY PD
19693		WOODARDVILLE	HA RA SU79;L L GOLSON 9 H 12/15/2009 990-D-29 09-1316	18.41	35	JUN. AR 3/19/12 SRVY PLAT RQD HA RA SU80 240743, 616435 2/24/12 JPT 616232 CORRECTION W PLAT DATED 2/8/12 6/15/11 SAM 100% HBP &/OR OPERATIONS
19694		BRACKY BRANCH , MARTIN , WOODARDVILLE	3 09/07/2011	41	41	JUN. AR 4/27/12 SAM: 100%HBP 4/12/12 JPT: 616528 CORRECTION, PLAT DATED 4/5/12 3/19/12 SRVY PLAT RQD ENCANA; HA RA SU80; 240743;

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: June 14, 2012 7:54 AM

District Code 3 Lake Charles- North

Get Review Date June 13, 2012

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
						616435
20030		CEDAR GROVE	HA RA SUE;HAMEL FAMILY 04/28/2009 967-C-2 09-459	329	437	JUN. SUGGEST AR 5/15/12 RCD UNOFL PR OF 108, RTNG 329 AC. RQD 4/3/12 DD & PT 3/11/12
20037		BRACKY BRANCH , RED RIVER-BULL BAYOU	HA RA SUDD;MC TRUST B ETAL 28H 04/13/2010 917-L-11 10-410	36.74	36.74	JUN. SUGGEST AR PT 4/8/12 4/27/12 SAM: 36.74 TRNSML AC HBP --(CHANGED 25 LEASED TO 36.74 PER TRNSMTLS)
20078		THORN LAKE	HA RA SUZ;CLINTON 11-14-12 H 01/19/2010 1145-B-25 10-88	40	40	JUN. SUGGEST AR 4/27/12 SAM 100% HBP, RYTY PD PT 6/10/12 SAL OMR MANAGED WLF
20084		GREENWOOD-WASKOM	HA RA SUT;BOWLIN 35-16-16 H 01/27/2009 270-MM-10	33.34	33.34	JUN. SUGGEST AR 4/27/12 SAM: 100% HBP, RYTY PD PT 6/10/12
20274		SWAN LAKE	CV RA SUL;JOHNSON 1 691-B-10 05-772	20.18	20.18	JUN. 4/27/12 SAM: 100% HBP 8/11/11 SMEB ALLOWED ESCROW OF ROYALTIES PT 3/10/13
20337		ELM GROVE	HA RA SU132;COTSWOLD 29-16-10H 04/24/2010 361-L-82 10-450	130.34	130.34	JUN. PT 5/12/13 6/6/12 SRVY PLAT RQD > 5/30/12 JPT PRELIMINARY 132 243637 617364 HA RA SU132 INITIAL PRD 3/12 100%HBP
20551				0	25	JUN. 4/27/12 SAM 2012 RNTL PD PT 3/9/14
20552				0	41	JUN. 4/27/12 SAM 2012 RNTL PD PT 3/9/14
20582				0	1	JUN. 4/23/12 REL RQD 4/19/12 APP EXP PER VV PT 4/13/14



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: June 14, 2012 7:54 AM

District Code 3S Lake Charles- South
Get Review Date June 13, 2012

Table with columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Contains 18 rows of lease data including fields like WEST CAMERON BLOCK, KINGS BAYOU, and CHENEYVILLE, WEST.

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: June 14, 2012 7:54 AM

District Code 3S Lake Charles- South
Get Review Date June 13, 2012

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
19595		CARPENTERS BRIDGE	F RA SUA,FEAGIN ETAL 01/13/2009 1523 09-27	3.57	10	REFUND RQD, DD INSTEAD OF RNTL FINAL DD 12/12/12 PT 12/12/10 JUN. AR 6/7/12 RQD STATUS OF PR 5/2/12 JCJ: 3.57 AC HBP 238754 615527 PRD & ROY TO 3/12 5/19/10 DC: CONTACTED SYLVAN & THEY WILL CORRECT AND SEND PR. PT 3/12/11
19965				0	539	JUN. 6/7/12 RS TO REID: APP EXP PT 12/10/11 11/12/11
20276				0	28	JUN. PT 3/10/13 5/2/12 JCJ: HB RNTL TO 2013
20297				0	414.79	JUN 4/23/12 REL RQD 4/19/12 APP EXP PER VMV; PT 4/14/13
20298				0	407.43	JUN. 4/23/12 REL RQD 4/19/12 APP EXP PER VMV; PT 4/14/13
20299				0	18.9	JUN. 4/23/12 REL RQD 4/19/12 APP EXP PER VMV PT 4/14/13
20360		LUNITA, SOUTHEAST	HBY RC SUA,LABOKAY CORP 04/13/2010 1334-G-1 10-378	7.414	37	JUN. 5/22/12 DDPMT TO RWB, 5/30/12 APPROVED BY JPT TO 6/9/13 PT 6/9/13
20554				0	20	JUN. PT 3/9/14 5/2/12 JCJ: HB RNTL TO 2013
20571				0	2394	JUN. PT 3/9/14 5/2/12 JCJ: HB RNTL TO 2013 ROCKEFELLER WMA
20572				0	2081	JUN. PT 3/9/14 5/2/12 JCJ: HB RNTL TO 2013 ROCKEFELLER WMA
20573				0	1423	JUN. PT 3/9/14 5/2/12 JCJ: HB RNTL TO 2013 ROCKEFELLER WMA
20574				0	2126	JUN. PT 3/9/14 5/2/12 JCJ: HB RNTL TO 2013 ROCKEFELLER WMA
20575				0	1265	JUN. PT 3/9/14 5/2/12 JCJ: HB RNTL TO 2013 ROCKEFELLER WMA
20576				0	1974.92	JUN. PT 3/9/14 5/2/12 JCJ: HB RNTL TO 2013 ROCKEFELLER WMA
20610				0	9	JUN. 5/30/12 PR RQD 5/21/12 RS HB & JPT: LEASE PARTIALLY HELD -- 6.35 AC TO BE REL'D. PT 5/11/14
205				38,445.434	83,667.503	



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

NOMINATION AND TRACT COMMITTEE REPORT

The Nomination and Tract Committee, convened at **9:47 a.m.** on Wednesday, **June 13, 2012** with the following members of the Board in attendance:

Mr. Thomas L. Arnold, Jr. Mr. Emile B. Cordaro Mr. Robert D. Harper
Mr. Robert M. Morton Mr. Darryl D. Smith Mr. Chip Kline (sitting in for
Garret Graves, Gov.
Jindal's Designee)

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the August 8, 2012 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Arnold**, duly seconded by **Mr. Smith**, the Committee voted unanimously to recommend to the Board the granting of authority to the staff to advertise all such tracts as have been reviewed by the State Land Office and the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report presented by Mr. Fontenot.

The Committee was informed of Letters of Protest from Salt Domes, Partnership, all dated May 25, 2012, pertaining to Tract Nos. 42721-23, situated in St. Martin Parish, Louisiana. No action was required.

The Committee was informed of a Letter of Protest from Jeanerette Lumber & Shingle Co., L.L.C., pertaining to Tract No. 42721, situated in St. Martin Parish, Louisiana. No action was required.

The Committee, on motion of **Mr. Arnold**, seconded by **Mr. Smith**, voted to adjourn at **9:49 a.m.**

Respectfully Submitted,

Handwritten signature of Emile B. Cordaro in black ink, with a stylized flourish at the end.

Emile B. Cordaro

Chairman

Nomination and Tract Committee

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

NOMINATION AND TRACT COMMITTEE

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

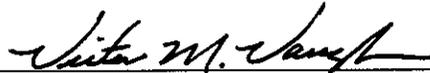
WHEREAS, Mr. Emile Fontenot presented to the State Mineral and Energy Board that 137 tracts had been nominated for the August 8, 2012 Mineral Lease Sale, and that same are to be advertised pending staff review; now therefore

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 13th day of June 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



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

AUDIT COMMITTEE REPORT

The regular meeting of the Audit Committee of the State Mineral and Energy Board was held on Wednesday, June 13, 2012, following the Nomination and Tract Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building, located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Robert D. Harper
Thomas L. Arnold, Jr.

Emile B. Cordaro
Chip Kline

Robert "Michael" Morton
Darryl D. Smith

Mr. Thomas L. Arnold, Jr. convened the Committee at 9:49 a.m.

The first matter considered by the Committee was a penalty waiver request from Energy Properties, Inc.

Upon recommendation of the staff and upon motion of Mr. Cordaro, seconded by Mr. Smith, the committee voted unanimously to approve the 75% penalty waiver of \$13,106.27.

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

No action required.

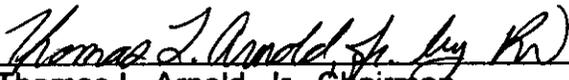
The third matter considered by the Committee was for discussion in Executive Session of the potential settlement in Pennzoil Oil Re-valuation audit.

Upon motion of Mr. Cordaro, seconded by Mr. Smith, Executive Session convened at 9:53 a.m.

Upon motion of Mr. Morton, seconded by Mr. Kline, Executive Session adjourned at 9:56 a.m.

Upon motion of Mr. Cordaro, seconded by Mr. Morton, the committee voted unanimously to accept in principle, the offer made by Pennzoil Oil.

On motion of Mr. Cordaro, seconded by Mr. Morton, the Board voted unanimously to adjourn the Audit Committee at 9:57 a.m.



Thomas L. Arnold, Jr., Chairman
Audit Committee

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

AUDIT COMMITTEE

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

WHEREAS, the State Mineral and Energy Board caused an audit to be performed of Energy Properties, Inc. payments of state royalty in the Bay Junop, and Bourg fields; State Leases 725 and 17534 which audit revealed that Energy Properties, Inc. owed the state \$60,523.14 in underpayment of royalty and \$29,339.06 in interest and penalty for a total of \$89,862.20; and

WHEREAS, Energy Properties, Inc. has remitted payment of \$72,387.17 for the outstanding principal and interest; and

WHEREAS, Energy Properties, Inc. has made a letter application for reduction of penalties assessed in the amount of \$17,475.03 due to incorrect royalty payments; and

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

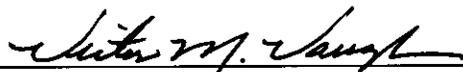
WHEREAS, the Mineral Income Division staff recommends that a seventy-five percent (75%) of the penalty be waived; and

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

THEREFORE, BE IT RESOLVED, that the Board does waive a seventy-five percent (75%), which amounts to \$13,106.27 of the total penalty assessed to Energy Properties, Inc.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana on the 13th day of June 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

AUDIT COMMITTEE

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

WHEREAS, the State Mineral and Energy Board caused an audit to be performed of Pennzoil Exploration and Production Company regarding royalties due from the undervaluation of oil for royalty purposes on State Lease Nos. 195, 328, 451, 476, 1349, 1744, 1745, 2340, 2484, 3306, 3307, 3347, 3428, 4011, 6706, 7332, 8690, 12457, and 14426, Operating Agreements A0005, A0006, A0032 and A0193, and Unleased Acreage tracts B8000, B9955, B9978, and B9988 in the Bay Baptiste, Chegby, Deep Lake, Deer Island, Dulac, False River, Greenwood-Waskom, Judge Digby, Kent Bayou, Kings Ridge, Lake St. John, Lapeyrouse, Lirette, Main Pass Block 74, Nolans Bayou, Patterson, Quarantine Bay, Redfish Point, South Pass Block 24, South Pass Block 6, South Pass Block 78, Southeast Pass, and West Bay field; and

WHEREAS, Pennzoil Exploration and Production Company in an effort to resolve the amount due the State, has now tendered an offer to settle the outstanding audit; and

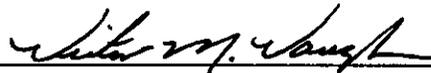
WHEREAS, the Board has reviewed and considered the settlement offer of Pennzoil Exploration and Production Company and has reviewed and considered the report and recommendation of the staff regarding said settlement offer; and

WHEREAS, the Board does hereby accept the settlement offer of Pennzoil Exploration and Production Company in principle, and does hereby direct the staff to advise Pennzoil Exploration and Production Company of such;

THEREFORE, BE IT RESOLVED, that the Board does formally accept the offer of Pennzoil Exploration and Production Company in principle, subject to the terms and particulars of a settlement agreement acceptable to both parties.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



Louisiana State Mineral and Energy Board



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

LEGAL AND TITLE CONTROVERSY COMMITTEE REPORT

The regular meeting of the Legal and Title Controversy Committee of the State Mineral and Energy Board was held on June 13, 2012, following the Audit Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Mr. Robert D. Harper
Mr. Thomas L. Arnold, Jr.
Mr. W. Paul Segura, Jr.
Mr. Chip Kline for Garret Graves
(Governor's Designee)

Mr. Emile B. Cordaro
Mr. Darryl David Smith
Mr. Robert "Michael" Morton

The Legal and Title Controversy Committee was called to order by Mr. Arnold at 9:57 a.m.

The first matter considered by the Committee was a request by Staff for authority to place the acreage relative to Chesapeake Louisiana, L.P.'s request for an operating agreement back into commerce. The area covers a total of +/- 899 acres located in Sections 13, 14, 15, 23 and 24, T14N, R12W, DeSoto and Red River Parishes, Louisiana, portions of which is in title controversy with the Albrittons.

Upon recommendation of the staff and upon motion of Mr. Cordaro, seconded by Mr. Smith, the Committee voted unanimously to recommend that the State Mineral and Energy Board return the acreage to commerce and to make it available for leasing. No comments were made by the public.

The second matter considered by the Committee was a request by Clayton Williams Energy, Inc. for authority to escrow funds in regard to State Lease No. 19706 for royalties attributable to disputed acreage contained within Unit Tracts E and F of the 9,400' RA SUA under Order Number 890-Z, Coquille Bay Field, Plaquemines Parish, Louisiana.

Upon recommendation of the staff and upon motion of Mr. Smith, seconded by Mr. Kline, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant the requested authority, subject to the standard escrow requirements set forth by OMR and posted on the OMR website. No comments were made by the public.

The third matter considered by the Committee was a request by Swift Energy Operating, LLC for the waiver of all or a portion of the liquidated damage assessments levied on the late partial releases of the following state leases:

- (a) State Lease No. 18668 in the amount of \$46,400.00, Plaquemines Parish, Louisiana
- (b) State Lease No. 18669 in the amount of \$46,400.00, Plaquemines Parish, Louisiana

Upon recommendation of the staff and upon motion of Mr. Smith, seconded by Mr. Cordara, the Committee voted unanimously to recommend that the State Mineral and Energy Board accept the settlement offer of Swift Energy Operating, LLC in the amount of \$7,963.88 for State Lease No. 18668 and \$19,827.38 for State Lease No. 18669. No comments were made by the public.

The fourth matter considered by the Committee was a request by Staff to place Chesapeake Louisiana, LP on demand for nonpayment of royalties on Operating Agreement 315, Caddo & Bossier Parishes.

Upon recommendation of the staff and upon motion of Mr. Smith, seconded by Mr. Cordaro, the Committee voted unanimously to recommend that the State Mineral and Energy Board place Chesapeake Louisiana, LP on demand if the required escrow account is not opened and the previously suspended funds deposited with seven (7) days, or by June 20, 2012. No comments were made by the public.

Upon motion of Mr. Segura, seconded by Mr. Smith, the Committee voted unanimously to go into Executive Session at 10:06 A.M.

Upon motion of Mr. Segura, seconded by Mr. Morton the Committee voted unanimously to return to Open Session at 10:11 A.M.

The fifth matter considered by the Committee was a discussion in executive session of the litigation entitled: Swepi LP and Encana Oil & Gas (USA) Inc. vs. M&M Almond, LLC, Wilkinson-Almond Land Company, LLC; The State of Louisiana, et al, Suit No. 611710, 19th Judicial District Court, East Baton Rouge Parish.

This matter was merely a discussion, and no action was required.

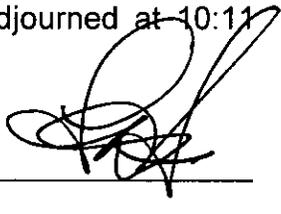
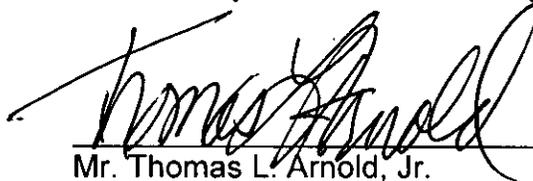
This sixth matter considered by the Committee was a discussion in executive session of the litigation entitled: Encana Oil & Gas (USA) Inc. and Swepi LP vs. Dupree Land Properties, LLC, The State of Louisiana, et al, Suit No. 611711, 19th Judicial District Court, East Baton Rouge Parish.

This matter was merely a discussion, and no action was required.

This seventh matter considered by the Committee was a discussion in executive session of the litigation entitled: Chesapeake Operating, Inc. and Chesapeake Louisiana, L.P. vs. The State Mineral and Energy Board of Louisiana, Louisiana Department of Wildlife and Fisheries and William Eton Kennedy, Suit No. 138840, 26th Judicial District Court, Bossier Parish.

This matter was merely a discussion, and no action was required.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Morton, the Legal and Title Controversy Committee meeting adjourned at 10:11 a.m.



Mr. Thomas L. Arnold, Jr.
Legal and Title Controversy Committee
Louisiana State Mineral and Energy Board

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

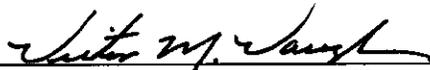
WHEREAS, a request was made by Staff for authority to place the acreage relative to Chesapeake Louisiana, L.P.'s request for an operating agreement back into commerce. The area covers a total of +/- 899 acres located in Sections 13, 14, 15, 23 and 24, T14N, R12W, DeSoto and Red River Parishes, Louisiana, portions of which is in title controversy with the Albrittons;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board return the acreage to commerce and to make it available for leasing.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

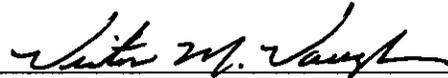
WHEREAS, a request was made by Clayton Williams Energy, Inc. for authority to escrow funds in regard to State Lease No. 19706 for royalties attributable to disputed acreage contained within Unit Tracts E and F of the 9,400' RA SUA under Order Number 890-Z, Coquille Bay Field, Plaquemines Parish, Louisiana;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant the requested authority, subject to the standard escrow requirements set forth by OMR and posted on the OMR website.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

WHEREAS, a request was made by Swift Energy Operating, LLC for the waiver of all or a portion of the liquidated damage assessments levied on the late partial releases of the following state leases:

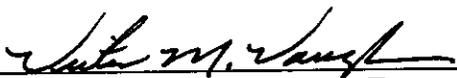
- (a) State Lease No. 18668 in the amount of \$46,400.00, Plaquemines Parish, Louisiana
- (b) State Lease No. 18669 in the amount of \$46,400.00, Plaquemines Parish, Louisiana;

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

NOW, BE IT THEREFORE RESOLVED that the Committee recommends that the State Mineral and Energy Board accept the settlement offer of Swift Energy Operating, LLC in the amount of \$7,963.88 for State Lease No. 18668 and \$19,827.38 for State Lease No. 18669.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

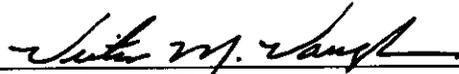
WHEREAS, a request was made by Staff to place Chesapeake Louisiana, LP on demand for nonpayment of royalties on Operating Agreement 315, Caddo & Bossier Parishes;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board place Chesapeake Louisiana, LP on demand if the required escrow account is not opened and the previously suspended funds deposited with seven (7) days, or by June 20, 2012.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

BOBBY JINDAL
GOVERNOR



SCOTT A. ANGELLE
SECRETARY

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

DOCKET REVIEW COMMITTEE REPORT

The Docket Review Committee convened at 10:10 a.m. on Wednesday, June 13, 2012. Board Members present were Mr. Emile Cordaro, Mr. Darryl D. Smith, Mr. W. Paul Segura, Jr., Mr. Robert "Michael" Morton, Mr. Thomas L. Arnold, Jr. and Mr. Chip Kline (sitting in for Garret Graves, Governor Jindal's designee to the State Mineral and Energy Board)

The Committee made the following recommendations:

Approve all State Agency Lease A on page 1;

Approve all Assignments on pages 2 through 12; Nos. 8 and 19 on pages 4 and 7 would be approved subject to the approval of the Governor of Louisiana;

Approve the following items upon recommendation of the Legal and Title Controversy Committee: Docket Item No. 12-16 on page 13.

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

There being no further business to come before the committee, upon motion of Mr. Segura, and seconded by Mr. Smith, the committee voted unanimously to adjourn the meeting at 10:13 a.m.

Respectfully submitted,

Handwritten signature of Thomas L. Arnold, Jr. in cursive, written over a horizontal line.

Mr. Thomas L. Arnold, Jr.
Acting Chairman
Docket Review Committee

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the June 13, 2012 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Plaquemines Parish Government, dated March 22, 2012, awarded to Calvin S. Wood, LLC, covering lands located in Section 34, Township 21 South, Range 31 East, West of the Mississippi River, Plaquemines parish, Louisiana, containing approximately 160 acres, with further contractual obligations being more enumerated in the instrument.

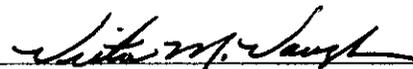
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from Genesis Producing Company, L.P. to Smith Big Oil Corp., of all of Assignor's right, title and interest in and to State Lease No. 18441, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

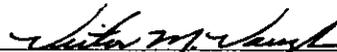
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from White Oak Energy V, LLC to White Oak Resources VI, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 7520 and 20053, St. Martin Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

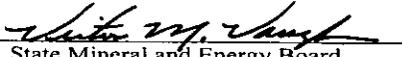
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from Donegal Energy, LLC to Clayton Williams Energy, Inc., of all of Assignor's right, title and interest in and to Operating Agreement "A0321", Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

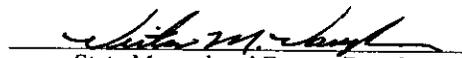
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from J-W Operating Company to Chesapeake Louisiana, L.P., of all of Assignor's right, title and interest in and to State Lease No. 18096, Bienville and Bossier Parishes, Louisiana, **INSOFAR AND ONLY INSOFAR AS** the leases cover all subsurface depths below the base of the Cotton Valley Formation as further defined on Exhibit "A", with further particulars being stipulated in the instrument.

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

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

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

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

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

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

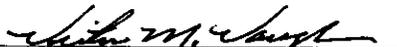
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from J-W Operating Company to Chesapeake Louisiana, L.P., of all of Assignor's right, title and interest in and to State Lease No. 18371, DeSoto Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** the lease covers all subsurface depths below the base of the Cotton Valley Formation as further defined on Exhibit "A", with further particulars being stipulated in the instrument.

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

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

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

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

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

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

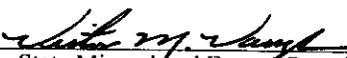
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from J-W Operating Company to Chesapeake Louisiana, L.P., of all of Assignor's right, title and interest in and to State Lease No. 16530, Bossier and Caddo Parishes, Louisiana, **INSOFAR AND ONLY INSOFAR AS** the lease covers all subsurface depths below the base of the Cotton Valley Formation as further defined on Exhibit "A", with further particulars being stipulated in the instrument.

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

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

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

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

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

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

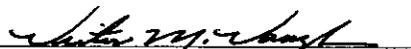
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 7 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from J-W Operating Company to Chesapeake Louisiana, L.P., of all of Assignor's right, title and interest in and to State Lease No. 6111, Bossier and Caddo Parishes, Louisiana, **INSOFAR AND ONLY INSOFAR AS** the lease covers all subsurface depths below the base of the Cotton Valley Formation as further defined on Exhibit "A", with further particulars being stipulated in the instrument.

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

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

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

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

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

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

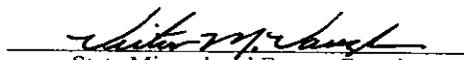
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 8 from the June 13, 2012 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from McMoRan Oil & Gas LLC to Hilcorp Energy I, LP, of all of Assignor's right, title and interest in and to State Lease Nos. 356, 17432 and 17739, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

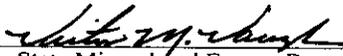
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

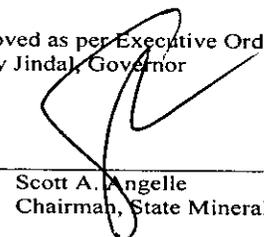
BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

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

By: 
Scott A. Angelle
Chairman, State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 9 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from Kare-Sue Energy, Inc. to LaBay Exploration Co., L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 20868, 20869 and 20878, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

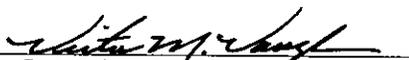
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from Trinity Exploration & Production, LLC to Encana Oil & Gas (USA) Inc., of all of Assignor's right, title and interest in and to State Lease Nos. 20014 and 20015, Red River Parishes, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said leases cover lands and/or Waterbottoms contained within the current areal extent of the HA RA SU64, HA RA SU55 AND HA RA SU57, **and INSOFAR AND ONLY INSOFAR AS** said leases apply to the Haynesville Zone, Reservoir A in the Woodardville Field, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

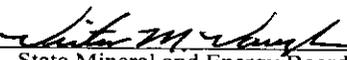
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from Orbit Energy, Inc., of all of Assignor's right, title and interest to the following in the proportions set out below:

Zachry Exploration, LLC	53.00000% of 8/8ths
Orbit Energy Partners, LLC	21.97372% of 8/8ths
SEP Holdings II, LLC	20.00000% of 8/8ths
Kash Oil & Gas, Inc.	1.75336% of 8/8ths
Horizon Resource Management, LLC	2.92220% of 8/8ths
Island Energy LLC	0.35070% of 8/8ths

in and to State Lease No. 20450, Acadia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

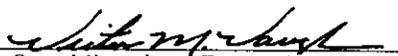
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from White Oak Resources VI, LLC to Davis Petroleum Corp., of all of Assignor's right, title and interest in and to State Lease Nos. 18090, 18091 and 18092, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

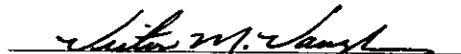
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from Stephen M Jenkins, Inc. to Stone Energy Offshore, L.L.C., of all of Assignor's right, title and interest in and to State Lease No 20745, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

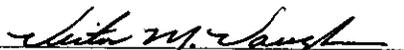
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

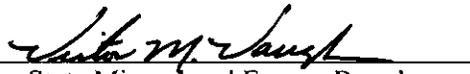
LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 14 from the June 13, 2012, Meeting be approved, said instrument being a Correction of Resolution No. 28 from the July 14, 2004 Meeting, being an Assignment from Wagner Oil Company to Walter Oil & Gas Corporation, et al, whereas State Lease No. 17446 was omitted from said resolution and is hereby being added and State Lease No. 17746 was incorrectly added to said resolution and is hereby being deleted, affecting State Lease Nos. 17446 and 17746, Ascension and Bienville, Parishes, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

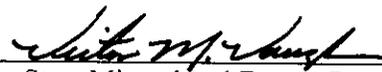
LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 15 from the June 13, 2012, Meeting be approved, said instrument being a Correction of Resolution No. 4 from the April 13, 2011 Meeting, being an Assignment from Wagner Oil Company to Canejo, LP, whereas State Lease No. 17446 was omitted from said resolution and is hereby being added and State Lease No. 17746 was incorrectly added to said resolution and is hereby being deleted, affecting State Lease Nos. 17446 and 17746, Ascension and Bienville Parishes, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from Samson Contour Energy E&P, LLC to Samson Concorde Gas Intrastate LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 15685, 15690, 15691, 15774, 20359, 20360, 20371, 20390, 20391, 20392, 20393, 20394 and 20395, Calcasieu Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

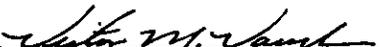
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from Union Gas Corporation to SG-Port Barre, LLC, of all of Assignor's right, title and interest in and to State Lease No. 19544, St. Landry Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

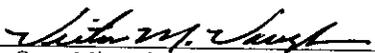
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from SG-Port Barre, LLC to Petro-Guard Production, LLC, of 25% of Assignor's right, title and interest in and to State Lease No. 19544, St. Landry Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

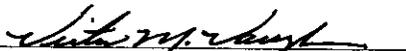
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 19 from the June 13, 2012 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from Gemini Explorations, Inc. to Tacoma Energy Corporation, of all of Assignor's right, title and interest in and to State Lease Nos. 173 and 20372, Caddo Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** the leases cover and apply to those correlative subsurface depths located beneath 100' below the stratigraphic equivalent of the "Base of the Pettet Formation", **reserving** all right, title and interest in and to the leases insofar as same affects those depths from the surface down to that correlative subsurface depth above 100' below the stratigraphic equivalent of the Base of the Pettet Formation, affecting State Lease Nos. 173 and 20372, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

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

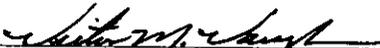
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument,
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;
- 4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30.128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;
- 5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and
- 6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

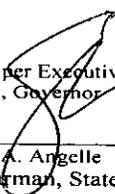
BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

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

By: 
Scott A. Angelle
Chairman, State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 20 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from Waveland Drilling Partners 2004, L.P. to Forza Operating, LLC, of all of Assignor's right, title and interest in and to State Lease No. 18077, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Forza 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 21 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from King's Ridge Partners, L.P. to Forza Operating, LLC, of all of Assignor's right, title and interest in and to State Lease No. 18077, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Forza 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;

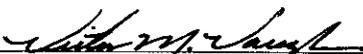
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 22 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from Baron-Baker's Bay Lease Partners, L.P. to Forza Operating, LLC, of all of Assignor's right, title and interest in and to State Lease No. 18077, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Forza 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;

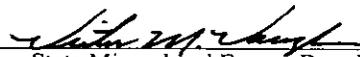
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 23 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from XPLOR Energy SPV-1, Inc. to Forza Operating, LLC, of all of Assignor's right, title and interest in and to State Lease No. 14589, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

Forza 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 24 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from XPLOR Energy SPV-1, Inc. to Forza Operating, LLC, of all of Assignor's right, title and interest in and to Operating Agreement "A0320", Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

Forza 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 25 from the June 13, 2012 Meeting be approved, said instrument being a Conversion whereby Bright & Company I, Ltd. is converting to Bright & Company, LLC, affecting State Lease Nos. 12806 and 15683, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

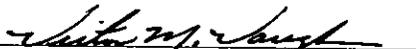
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 26 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from Blue Moon Exploration Company, LLC, of all of Assignor's right, title and interest to the following in the proportions set out below

J & S Oil & Gas, LLC	3.00%
Dennis F. Sharp II	40%
Stephen & Rebecca Drake	40%
Sharp Oil & Gas, LLC	1.50%
The Rudman Partnership	4.00%
Excitare Energy Holdings, LLC	.70%
Wolfe Rudman Partnership	1.00%
Samuel W. Pearce	0.25%
Spencer Carson	0.25%
Travis Jones	0.50%
Archie L. Schrotenboer, Jr.	0.50%
Lamb Oil & Gas	17.00%
Future South Sabine L.L.C.	10.00%
Martex Exploration, Inc.	1.50%
Bechtel Exploration Company	1.50%
Ballard Exploration Company, Inc.	17.00%
Blue Moon Energy, LLC	2.50%

in and to State Lease Nos. 19067 and 19068, Cameron Parish, Louisiana, LIMITED TO the rights below the true vertical depth of 9,515', with further particulars being stipulated in the instrument.

Blue Moon 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 27 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from Westgrove Energy Holdings, LLC. of all of Assignor's right, title and interest to the following in the proportions set out below:

CL&F Resources LP	30.00%
Flare Resources Inc.	32.50%
Wadi Petroleum, Inc.	18.75%
Pruet Offshore Company	11.25%
Diverse 2007 Exploration L P.	6.75%
South Bay Corporation	0.75%

in and to State Lease No. 20835, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 28 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from Charles M. Burns, Jr. to J. Robert Meason, Jr., of all of Assignor's right, title and interest in and to State Lease No. 10100, Concordia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

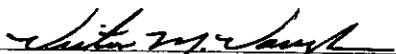
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 29 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from DKD Petroleum, LLC to DKD, LLC, of all of Assignor's right, title and interest in and to State Lease No. 17525, Calcasieu Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

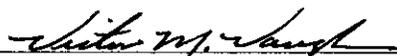
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 30 from the June 13, 2012 Meeting be approved, said instrument being an Assignment from Nexen Petroleum U.S.A. Inc. to Cochon Properties, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 1536, 1665, 1666, 1667, 7868, 7870, 16985, 16988 and 17121, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

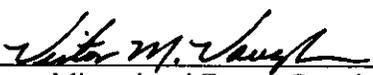
On motion of Mr. Segura, seconded by Mr. Smith, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12-16 from the June 13, 2012, Meeting be approved, said instrument being an Amendment and Reinstatement of Voluntary Unit Agreement by and between the State Mineral and Energy Board and Contango Operators, Inc., whereas said parties do hereby desire to amend Paragraph 9 of the Unit Agreement, dated June 11, 2008, to provide that Unit Operations must be commenced within twelve (12) months of January 27, 2012, and do further reinstate, ratify and confirm that the CIB OP EI 10 VUC is in full force and affect, affecting State Lease Nos. 18640, 19266, 19269 and 19397, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2012 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board