

# **MINUTES**

## **STATE MINERAL AND ENERGY BOARD**

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

**MAY 11, 2011**

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on Wednesday, May 11, 2011, beginning at 11:03 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

Mr. W. Paul Segura, Jr., acting as Chairman in the absence of Chairman Scott A. Angelle, called the meeting to order. He then requested 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  
John C. "Juba" Diez  
Bay E. Ingram  
Robert "Michael" Morton  
Thomas W. Sanders  
Robert Harper, DNR Undersecretary (sitting in for Chairman Scott A. Angelle)

The following members of the Board were recorded as absent:

Scott A. Angelle, Chairman  
Darryl D. Smith  
Helen G. Smith  
Garret Graves

Ms. Talley announced that eight (8) 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

The Chairman then stated that the next order of business was the approval of the April 13, 2011 Minutes. A motion was made by Mr. Arnold to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Sanders and unanimously adopted by the Board. (No public comment was made at this time.)

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

Lease Review Committee  
Nomination & Tract Committee  
Audit Committee

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

The Chairman further stated that with regard to the Legal & Title Controversy Committee, there were some misprints in your agenda concerning some state lease numbers. You approved the actions but the lease numbers were incorrect. The same lease numbers were printed on Items 1, 2, & 4 and 3 was a different lease number. On Item #2, instead of State Lease 17309, the lease number is 17595. On Item #3, instead of State Lease 15074, the lease number is 19712. On Item #4, instead of State Lease 17309, the lease number is 10830.

The Chairman then entertained a motion to adopt the Legal & Title Controversy Committee recommendations noting the corrections of the lease numbers. Upon motion of Mr. Sanders, seconded by Mr. Arnold, the recommendations of the Legal & Title Controversy Committee regarding its report were unanimously adopted by resolutions of the Board. (No public comment was made at this time.)

The Chairman further entertained a motion to adopt the Docket Review Committee recommendations. Upon motion of Mr. Arnold, seconded by Mr. Cordaro, the recommendations of the Docket Review Committee regarding its report were unanimously adopted by resolutions of the Board. (No public comment was made at this time.)

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 11:07 a.m. and go into executive session for technical briefing in order to consider matters before the Board which were confidential in nature. A motion was made by Mr. Arnold, seconded by Mr. Cordaro, 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. Sanders, seconded by Mr. Arnold, and unanimously adopted by the Board, the Board reconvened in open session at 11:12 a.m.

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

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

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42054 to Charleston Energy, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42055 to Charleston Energy, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42056 to Charleston Energy, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42057 to Basin Properties, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42058 to Basin Properties, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42059 to Basin Properties, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to reject the bid on Tract 42061 for improper check. **(Note: An oral bid was submitted and subsequently awarded on this tract. Refer to the end of the awarding of the leases.)**

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42063 to Merlin Oil & Gas, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 42064, said portion being 9.0 acres more particularly described in said bid and outlined on accompanying plat, to Smith Production Company of Mississippi.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42066 to Swift Energy Operating, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42068 to Charleston Energy, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to reject the bid on Tract 42070 for improper check. **(Note: An oral bid was submitted and subsequently awarded on this tract. Refer to the end of the awarding of the leases.)**

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42071 to Basin Properties, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42072 to Charleston Energy, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42073 to Charleston Energy, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42074 to Charleston Energy, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42075 to Charleston Energy, Inc.

At this time, the Chairman stated that the Board would open up bidding from the floor regarding Tract Nos. 42061 and 42070. There was only one bid submitted on each of the tracts and the bids were rejected due to improper check.

At this time, Mr. Kristopher Reggie came forward and stated that he was representing Janus Gulf Coast Exploration LLC regarding Tract No. 42061. His bid consisted of a portion of the tract being 11.38 acres, primary term of 3 years, cash payment of \$3,431.07, price per acre of \$301.50, annual rental of \$1,715.54 and royalties of 23.5%. No other bidders came forward and based upon recommendation by the staff, upon motion of Mr. Arnold, seconded by Mr. Sanders and unanimously adopted by the Board, the lease was awarded to Janus Gulf Coast Exploration LLC. (No public comment was made at this time.)

Mr. Mark Cunningham came forward representing Walter Oil & Gas Corporation regarding Tract No. 42070. His bid consisted of a portion of the tract being 80.0 acres, primary term of 3 years, cash payment of \$22,960.00, price per acre of \$287.00, annual rental of \$11,480.00 and royalties of 23.50%. No other bidders came forward and based upon recommendation by the staff, upon motion of Mr. Sanders, seconded by Mr. Ingram and unanimously adopted by the Board, the lease was awarded to Walter Oil & Gas Corporation. (No public comment was made at this time.)

This concluded the awarding of the leases.

The following announcements were then made:

Ms. Talley stated that "the results of today's Lease Sale in total bonuses was \$2,774,369.98 which brings the fiscal year total to \$41,098,872.40.

Also, the annual oil and gas conference will be August 29<sup>th</sup> & 30<sup>th</sup>. We will have registration open by June 1<sup>st</sup> and will have brochures to distribute next month at the Board meeting."

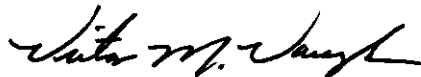
The Chairman noted that Secretary Angelle has provided information to the members for them to take with them, review and offer any comments or opinions at the next Board meeting. He further stated that he will make a presentation at the next meeting.

May 11, 2011

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The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Arnold, seconded by Mr. Sanders, the meeting was adjourned at 11:20 a.m.

Respectfully submitted,

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

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 MAY 11, 2011 MINUTES  
BY REFERENCE**

A public meeting for the purpose of opening sealed bids was held on Wednesday, May 11, 2011, beginning at 8:35 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

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:

May 11, 2011

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. 42052 through 42075, have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended, Tract No. 42051, not having been advertised in the official parish journal is being recommended for withdrawal.

Yours very truly,

(Original signed)

Frederick D. Heck  
Director  
Petroleum Lands Division



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

For the record, Mr. Vaughn stated that Tract Nos. 42051 and 42067 would be recommended by staff to be withdrawn and would be taken up at the Nomination and Tract Committee meeting. It was further stated that if there were any bids received on these tracts, the bids would be returned unopened at the conclusion of the Board meeting.

The following bids were then opened and read aloud to the assembled public by Ms. April Duhe.

INLAND TRACTS

Tract 42051

Withdrawn

Tract 42052

No Bids

Tract 42053

No Bids

Tract 42054

Bidder	:	Charleston Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$249,078.72
Annual Rental	:	\$100.76
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42055

Bidder	:	Charleston Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$503,598.48
Annual Rental	:	\$100.76
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

## Tract 42056

Bidder	:	Charleston Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$281,120.40
Annual Rental	:	\$100.76
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

## Tract 42057

Bidder	:	Basin Properties, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$169,881.36
Annual Rental	:	\$100.76
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

## Tract 42058

Bidder	:	Basin Properties, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$195,071.36
Annual Rental	:	\$100.76
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

## Tract 42059

Bidder	:	Basin Properties, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$283,941.68
Annual Rental	:	\$100.76
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

## Tract 42060

No Bids

Tract 42061  
(Portion – 11.38 acres)

Bidder	:	Janus Gulf Coast Exploration LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$3,431.07
Annual Rental	:	\$1,715.54
Royalties	:	23.5% on oil and gas
	:	23.5% on other minerals
Additional Consideration	:	None

Tract 42062

No Bids

Tract 42063

Bidder	:	Merlin Oil & Gas, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$8,142.00
Annual Rental	:	\$4,071.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42063  
(Portion – 19.00 acres)

Bidder	:	Rozel Exploration, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$5,890.00
Annual Rental	:	\$2,945.00
Royalties	:	21.5% on oil and gas
	:	21.5% on other minerals
Additional Consideration	:	None

Tract 42064  
(Portion – 9.0 acres)

Bidder	:	Smith Production Company of Mississippi
Primary Term	:	Three (3) years
Cash Payment	:	\$2,709.00
Annual Rental	:	\$150.50
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

STATE AGENCY TRACTS

Tract 42065

No Bids

Tract 42066

Bidder	:	Swift Energy Operating, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$896,547.00
Annual Rental	:	\$448,273.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42066

Bidder	:	Anadarko E&P Company LP
Primary Term	:	Three (3) years
Cash Payment	:	\$232,360.00
Annual Rental	:	\$232,360.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42067

Withdrawn

Tract 42068

Bidder	:	Charleston Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$20,152.00
Annual Rental	:	\$100.76
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42069

No Bids

Tract 42070  
(Portion – 80.0 acres)

Bidder	:	Walter Oil & Gas Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$22,960.00
Annual Rental	:	\$11,480.00
Royalties	:	23.50% on oil and gas
	:	23.50% on other minerals
Additional Consideration	:	None

TAX ADJUDICATED LANDS TRACT

Tract 42071

Bidder	:	Basin Properties, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$27,384.55
Annual Rental	:	\$100.76
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

VACANT STATE LAND TRACTS

Tract 42072

Bidder	:	Charleston Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$5,803.78
Annual Rental	:	\$100.76
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42073

Bidder	:	Charleston Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$8,060.80
Annual Rental	:	\$100.76
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42074

Bidder	:	Charleston Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$8,060.80
Annual Rental	:	\$100.76
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42075

Bidder	:	Charleston Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$88,426.98
Annual Rental	:	\$100.76
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 8:53 a.m.

Respectfully submitted,



Victor M. Vaughn  
Executive Officer  
State Mineral and Energy Board



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

A meeting of the Lease Review Committee of the State Mineral and Energy Board convened on Wednesday, May 11, 2011 at 9:37 a.m. with the following members of the board in attendance: Mr. Robert D. Harper, sitting in for DNR Secretary Scott A. Angelle, Mr. Thomas L. Arnold, Jr., Mr. Emile B. Cordaro, Mr. John C. "Juba" Diez, Mr. Bay E. Ingram, Mr. Robert "Michael" Morton, Mr. Darryl D. Smith, and Mr. Thomas W. Sanders.

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 1809 active State Leases covering nearly 836,000 acres. The Geological and Engineering Division has reviewed approximately 135 leases covering 64,000 acres.

**II. Committee Review**

1. A staff report on **State Lease 335-B**, Delta Duck Club Field Selection located in Plaquemines Parish. Texas Petroleum Investment Company (TPIC) is the lessee.

The recommendation was to accept TPIC's report and to grant TPIC until April 11, 2012 to report on the drilling of the three wells and the results of additional workover and recompletion activities on the lease.

2. A staff report on **State Leases 797 and 799**, Grand Isle, Blocks 18 and 16 Fields, Jefferson, Lafourche and Plaquemines Parishes. Energy XXI GOM, LLC is the lessee.

The recommendation was that Energy XXI be granted until April 11, 2012 to submit a plan of development for the nonproductive portions of these leases.

3. A staff report on **State Leases 1450, 1451 and 1480**, Lake Raccourci Field, Terrebonne and/or Lafourche Parishes. ExxonMobil is the operator.

The recommendation was to accept ExxonMobil's report and to grant ExxonMobil until November 9, 2011 to report on the status of these leases.

4. A staff report on **State Lease 328-A**, Bay Baptiste/Lirette Field Selection, Terrebonne and Lafourche Parishes, Louisiana. Hilcorp Energy I, L.P. is the lessee.

The recommendation was that Hilcorp Energy be given until July 13, 2011 to finalize the 2<sup>nd</sup> 349 acre partial release, and it is further recommended that Hilcorp be granted until October 12, 2011 to restore the lease to production or release additional acreage.

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

1. No Objection to Energy XXI GOM, LLC's 29-E Waiver / Royalty Escrow Request for production from the S-4 Sand, SL 1423 No. 111 Well, SNs 242155 and 242361, Timbalier Bay Offshore Field, Lafourche Parish affecting State Lease 1423.

- 2. No Objection to Energy XXI GOM, LLC's 29-E Waiver Request for production from the D-2 Sand, SL 1423 No 111 (ST-2) Well, SNs 242155 and 242361, Timbalier Bay Offshore Field, Lafourche Parish affecting State Lease 1423.
- 3. No Objection to Hilcorp Energy Company's 29-E Waiver and Royalty Escrow Request for production from the Marg Howe A Sand in the SL 5021 Well No. 2, SN 183602 located in Manchac Point Field, East Baton Rouge Parish, affecting State Lease 5021.

**IV. Report on Force Majeure**

Mr. Charles Bradbury, Petroleum Engineer, presented the following matter recognizing a new force majeure condition:

A request by Harvest for the recognition of a Force Majeure condition affecting Operating Agreement A0311 beginning March 31, 2011 until August 10, 2011 due to owner of production platform deciding to remove the platform and use it elsewhere in Louisiana.

He also advised that he prepared a Memorandum dated April 27, 2011 to State Lease Operators regarding Force Majeure. Copies of which were available at the meeting, as well as on the DNR web site.

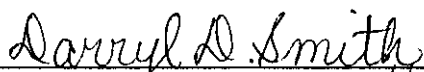
Updated 4/29/2011

Company Name	Lease Numbers
Leases Off Production Due to Non-storm Related Force Majeure Events	
IG Petroleum	A0232
Harvest	A0311
Stone Energy	10830, 15074, 17309, 17595, A0285

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

On motion by Mr. Sanders, seconded by Mr. Arnold, the Committee moved to adjourn its May 11, 2011 meeting at 9:48 a.m.

Respectfully submitted,

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

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



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### LEASE REVIEW COMMITTEE

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

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

**WHEREAS**, a request was made by The Harvest Group L.L.C. to recognize that a force majeure condition exists for state Operating Agreement A0311 in Saint Mary Parish, Louisiana due to loss of their access to the production facility caused by legal action on the part the facilities owner on March 31, 2011;

**WHEREAS**, The Harvest Group, L.L.C. reported that the SL 5097 #2 well (SN 220264) that maintains Operating Agreement A0311 was producing through March 9, 2011 when the compressor had mechanical problems;

**WHEREAS**, While repairing the compressor, the platform owner, Harvest Holdings, L.L.C. obtained a court order to seize possession of the production facility preventing The Harvest Group, L.L.C. from restoring Operating Agreement A0311 to production;

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

**WHEREAS**, Brian P. Daigle submitted a notarized affidavit on behalf of The Harvest Group L.L.C., which stated that the activities and/or fortuitous events which caused the force majeure was beyond the control, not the cause, and/or due to said company and/or business entity's negligence or intentional commission or omission;

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

**NOW THEREFORE BE IT RESOLVED** that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby recognize and acknowledge the force majeure event beginning March 31, 2011, due to ongoing litigation and negotiations preventing the use of the only available production facility necessary to maintain Operating Agreements A0311 in Saint Mary Parish, Louisiana. The Board suspends the 90 day continuous operations and production clause until August 10, 2011, or until The Harvest Group L.L.C. obtains a settlement or secures a new production facility whichever condition is met at the earliest date. At such time, The Harvest Group L.L.C. will have the remainder of the 90 day period or 68 days to establish the well to production or initiate downhole operations to maintain Operating Agreement A0311. Furthermore, the Louisiana Mineral and Energy Board requires that The Harvest Group L.L.C. in a due diligent manner, mitigate, or negate the effect of said activities which caused the force majeure.

### CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge Louisiana, on the 11<sup>th</sup> day of May, 2011, 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 & Energy Board

April 27, 2011

For Informational Purposes

**Memorandum to State Lease Operators**  
**Force Majeure**

The Hurricane season will be beginning June 1, 2011 and the Office of Mineral Resources would like to remind our lessees to be sure to review the State Mineral and Energy Board policy on force majeure. If there is a need to report a force majeure condition affecting your state lease, you will be prepared to move through the process quickly.

There is a "How-To" guide for reporting force majeure events on the Office of Mineral Resources' portion of the Department of Natural Resources website ([www.dnr.la.gov](http://www.dnr.la.gov)). The guide will instruct you what to submit and provides copies of the force majeure policy, the sample lease amendment, and spreadsheet to assist with reporting.

The short version goes like this:

1. Report all state leases that are shut-in as a result of the storms or for other circumstances described in your lease within 90 days of the event.
2. All leases that do not include the force majeure language need to be amended to include the current language. Copies of a sample lease amendment are on the website.
3. State leases containing force majeure language, but the cause of the damage, delay, or cessation of operations or production are not covered under the language in the lease, should be treated as if there is no force majeure language in the lease and the lessees/operator should begin the process of amending the lease to include the new force majeure clause.
4. Lessees/operators of leases with provisions to make shut-in and in-lieu royalty payments and a gas well(s) on or affecting the lease are required to make shut-in payments in a timely manner. However, the well must be qualified by the OMR staff prior to the beginning first payment period normally this is 90 days after the well is shut-in.
5. On the 1st of each calendar month please submit a monthly status report of all leases shut-in as a result of the force majeure conditions. These reports can be made by email to [Charles.Bradbury@la.gov](mailto:Charles.Bradbury@la.gov). As wells come back on production, you can submit the spreadsheet updated for the date production is restored.

Please contact me if you have any further questions.

Charles Bradbury  
Office of Mineral Resources  
(225) 342-9199

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: May 11, 2011 3:57 PM

<i>District Code</i>	<i>1</i>	<i>New Orleans- East</i>				
<i>Get Review Date</i>	<i>May 11, 2011</i>					
<i>Lease Num</i>	<i>DA</i>	<i>Field</i>	<i>Latest lease Activity</i>	<i>Productive Acreage</i>	<i>Present Acreage</i>	<i>Flagged for Review In</i>
00335A		DELACROIX ISLAND	520 04/22/2009	482.338	2840	MAY. 12/1/10 JMB WILL CALL APACHE @ DRLG 9/30/10 OMR TO APACHE -RQD FORM UNIT & PR
00335B		DELTA DUCK CLUB	VUB;SL 335 DDC U2	502	1236	MAY. OB RCD 4/13/11 TPIC POD
01278		MAIN PASS BLOCK 69	227810-SL 1278-020 02/04/2003	1177	2026.33	MAY. AR
12503		CHANDELEUR SOUND BLOCK 71	11.062 08/19/2003	16.314	16.314	MAY. AR
14217		BRETON SOUND BLOCK 33	602.678 03/08/2010	414.821	414.821	MAY. AR
16386		LAKE FORTUNA		264.81	264.81	MAY. AR
16393		MAIN PASS BLOCK 47	VUC; 02/13/2002	174.472	174.472	MAY. AR
17762		MAIN PASS BLOCK 16	YKEY 09/01/2005	47.75	47.75	MAY. AR
17763		MAIN PASS BLOCK 16	YKEY 09/01/2005	28.91	28.91	MAY AR
17764		MAIN PASS BLOCK 16	YKEY 09/01/2005	12.72	12.72	MAY. AR
17765		MAIN PASS BLOCK 16	YKEY 09/01/2005	73.56	73.56	MAY. AR
17766		MAIN PASS BLOCK 16	YKEY 09/01/2005	43.53	43.53	MAY AR
17965		BRETON SOUND BLOCK 33	246.6 04/11/2007	158.13	158.13	MAY. AR
18065		LAKE BORGNE	VUA;SL 18065	1274.93	1274.93	MAY. AR
18066		LAKE BORGNE	VUA;SL 18065	49.32	49.32	MAY. AR
18067		LAKE BORGNE	VUA;SL 18065	146.1	146.1	MAY AR
19165		CLAM BAY	UL 2 RA SUA;SL 19166 10/07/2008 1481-B	177.021	389	MAY. 4/27/11 RCD UNOFL PR OF 212.319, RTNG 177.021 AC SUGGEST AR
19166		CLAM BAY	240234-UL 2 RA SUA;SL 19166-002 10/16/2009	464.634	1111	MAY. 4/27/11 RCD UNOFL PR OF 646.366, RTNG 464.634 AC SUGGEST AR
19271				0	121.08	MAY. PT 2/14/12
19272				0	211.12	MAY. PT 2/14/12



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**District Code**            **1**            **New Orleans- East**  
**Get Review Date**        **May 11, 2011**

<i>Lease Num</i>	<i>DA</i>	<i>Field</i>	<i>Latest lease Activity</i>	<i>Productive Acreage</i>	<i>Present Acreage</i>	<i>Flagged for Review In</i>
20019				0	900.57	MAY PT 2/11/12
20021				0	38.46	MAY. PT 2/11/12

Louisiana Department of Natural Resources (DNR)

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**Staff Reviews**

Report run on: May 11, 2011 3:57 PM

District Code 1W New Orleans- West

Get Review Date May 11, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00192B		TIMBALIER BAY ONSHORE	3000 RB SUA;SL PP 192 665-XX-1 02-366	4000	6000	MAY. AR 3/31/11 RCD CONFIDENTIAL GLENN C. STROBL MARITECH RPT 1/11/11RECK LEASE AFTER RPT HAS BEEN REC'D
00192B		TIMBALIER BAY OFFSHORE	3000 RB SUA;SL PP 192 665-XX-1 02-366	4000	6000	MAY. AR 3/31/11 RCD CONFIDENTIAL GLENN C. STROBL MARITECH RPT 1/11/11RECK LEASE AFTER RPT HAS BEEN REC'D
00496		VENICE	M 17 R24C-24A SUA;C L JOHNSON 02/01/1997	4.24	4.24	MAY. AR
00797		GRAND ISLE BLOCK 18	245 03/15/2010	480	1264.53	MAY. OB 4/29/11JPT EMAIL TO ENERGY XXI, NEW OPERATOR OF LEASE. (PER JPT) EXMOB 3/9/11 RPT ON STATUS OF LEASE.
00799		GRAND ISLE BLOCK 16	259 10/12/2007	2700	3606	MAY. OB(PER JPT) 4/29/11 JPT EMAIL TO ENERGY XXI, NEW OPERATOR OF LEASE. EXMOB 3/9/11 UPDATE ON DEEP WELL.
00800		GRAND ISLE BLOCK 16	SL 800	1364	3075.41	MAY. 4/27/11 JPT APPROVED DDPMT 4/26/11 DDPMT TO REID
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	MAY. CK STATUS PANACO IN CH 11
00979		WEST DELTA BLOCK 53 , WEST DELTA BLOCK 55	224739-SL 979-031 11/21/2000	2485	3205.54	MAY. CK STATUS PANACO IN CH 11
01450		LAKE RACCOURCI	LR SP 7 RA SU 02/19/2008 175-H-1 08-239	480	1209.39	MAY. OB(PER JPT) RCD EXMOB 3/9/11 POD OR PR
01451		LAKE RACCOURCI	LR SP 7 RA SU 02/19/2008 175-H-1 08-239	345	859.22	MAY. OB(PER JPT) RCD EXMOB 3/9/11 POD OR PR
01480		LAKE RACCOURCI , PLAIN DEALING	SL 1480 11/14/2001	85	3614.78	MAY. OB(PER JPT) RCD EXMOB POD OR PR (& CK 262 AC OB PR, ACCEPTED 9/8/10)
01772		TIMBALIER BAY ONSHORE	3000 RB SUA;SL PP 192 665-XX-1 02-366	1000	2120.92	MAY. AR 4/27/11 LEASE DEVELOP RPT DUE 4-14-12 ;; 3/31/11 RCD CONFIDENTIAL GLENN C. STROBL MARITECH RPT 1/11/11RECK LEASE AFTER RPT HAS BEEN REC'D
01773		TIMBALIER BAY ONSHORE	TB D-12 SU; 05/01/1990	97.44	97.44	MAY. AR
02381		LITTLE LAKE , LITTLE TEMPLE	42.92 10/04/1990	23.84	23.84	MAY. AR
02561		LITTLE TEMPLE	13400 RA SUA;DELTA FARMS 08/06/2002	300	395	MAY. AR

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District Code	1W	New Orleans- West				
Get Review Date	May 11, 2011					
Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			475-L 02-407			
02918		WEST LAKE PONTCHARTRAIN BLK 41 , WEST LAKE PONTCHARTRAIN EAST BLK 41	VUA;SL 4041 04/12/2000	172.61	2356.3	MAY. AR
04746		MANCHAC POINT	MARG H B RA SUA;SL 5021	192.26	192.26	MAY. AR
			807-L 07-99			
05024		MANCHAC POINT	MPT CIB H3 RA SU; 03/01/2009 807-D-3 09-359	86	86	MAY. AR
05567		WEST LAKE PONTCHARTRAIN EAST BLK 41	VUA;SL 4041 04/12/2000	101	179.58	MAY. AR
06122		COLLEGE POINT-ST JAMES	441.01 10/31/1983	71.199	71.199	MAY. AR
14589		LAKE RACCOURCI	225972-SL 14589-003 06/04/2001	261	1698.67	MAY OMR LTR TO EXMOB (W/1450, 1451, & 1480) STATUS OFHLCP PROPOSAL BY 8/11/10
15358		BAYOU SORREL	.833 05/08/2003	.409	.409	MAY. AR
16681		LAFITTE	47.66 03/14/2005	1.18	8.34	MAY. 4/14/11 RCD UNOFL PR OF 7.159, RTNG 1.181
16869		SOUTH PASS BLOCK 42	SL 16869	63.8	63.8	MAY. AR
17780		LITTLE LAKE, SOUTH		160	160	MAY. AR
18475		BASTIAN BAY	136.41 02/21/2008	17.59	17.59	MAY. AR
18997		LITTLE LAKE	L TP 6 RA SUA;SL 19864 12/16/2008 604-T	2.536	2.536	MAY. AR
19712				0	8	MAY 4/13/11 L&T / SMEB GRANTED 6 MO LEASE EXTENSION FOR A RNTLPMT & ROYALTY INCREASE FROM 22.5 TO 23% PT 6/11/11 POINTE AUX CHENE WMA
20020				0	85.37	MAY. PT 2/11/12
20026				0	75	MAY. PT 2/11/12

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**Staff Reviews**

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District Code 2 Lafayette  
Get Review Date May 11, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00200B		DOG LAKE	VUG;DGL U7	2484	3736.136	MAY. 4/27/11 OMR TO HLCP: RPT BY 2/8/12 RCD HLCP: UPDATE POD BY 2/9/11.RQD 1 YR TO RPT, AGAIN
00293		FAUSSE POINTE	943 04/04/2005	2211	2648	MAY. AR 4/1/11 JJ: PRD 2/11, RTY 1/11
00328A		BAY BAPTISTE	349 10/29/2010	0	1165	MAY. OB HLCP RESTORE PROD OR REL ANOTHER 349 AC BY 4/1/11
01814		LAKE SAND	SL 1814 07/20/2004 216-W 04-658	120.82	160	MAY. AR 4/1/11 JJ: RTY 1/11, PRD 2/11
02655		BAYOU LONG , BAYOU POSTILLION , BAYOU POSTILLION, EAST	D-7-D-8 RA SUA;COTTEN LD CORP 05/06/2008 386-Z 08-628	26.3	98	MAY. AR 4/21/11 REID: 4 REVISION TRNSMTLS 048745, 049440, 048870 & 611893 FOR BPO DECIMAL; OA A0310 REPLACED FORMER SL 2258.
03797		KLONDIKE	K. L. LORIO SU 07/01/1976	5.51	5.51	MAY. AR 4/1/11 JJ: RTY 1/11, PRD 2/11 107166 026376
04237		SOUTH TIMBALIER BLOCK 8	239104-SL 4237-004 12/06/2008	65	459.85	MAY. 4/28/11 OMR TO BLACKHAWK FUL FOR POD/REL 3/17/11 JPT EMAIL TO BLACKHAWK RQD POD OR PR - 15,100 RA VUA PRDG ,, 9/14/10 OMR RQD BLACK ELK CONSIDER 395 AC PR. 2/19/10 RCD BLACK ELK LTR RQG UNTIL 4/14/11 FOR POD. 2AR
13470		BAYOU CARLIN	MA 7 RA SUD;KEARNEY  570-C-3	170.662	170.662	MAY. AR 4/1/11 JJ: RTY 1/11, PRD 1/11 210299 607991
14571		SHIP SHOAL BLOCK 65 , SHIP SHOAL BLOCK 66	158.026 01/22/2001	486.614	486.614	MAY. AR 4/1/11 JJ: RTY 2/11, PRD 1/11 218715 048735
14572		SHIP SHOAL BLOCK 65 , SHIP SHOAL BLOCK 66	40.123 01/22/2001	202.757	202.757	MAY. AR 4/1/11 JJ: RTY 2/11, PRD 1/11 218715 048735
15110		CAILLOU ISLAND	1583.44 01/31/1997	8.6	8.6	MAY. AR 4/1/11 JJ: RTY 12/10, PRD 1/11
15470		DEER ISLAND, WEST	52 5 01/29/1999	97.61	97.61	MAY. AR 4/1/11 JJ: RTY 12/10, PRD 1/11
15855		DEER ISLAND, WEST	40 26 12/27/1999	8.6	8.6	MAY. AR 4/1/11 JJ: RTY 1/11, PRD 1/11
16723		DUSON	NOD A RA SUC;A ROBERTSON ET UX 03/14/2000 197-N-2 00-125	.11	.11	MAY. AR 4/1/11 JJ: RTY 2/11, PRD 2/11
18114				0	17	MAY. 4/27/11 PET LAND CHAIN OF COMMAND. REC'D REL, NEED REL FROM DOMINION 4-1-10
18582		DULAC	157.002 08/31/2007	177.15	177.15	MAY. AR 4/1/11 JJ: RTY 2/11, PRD 1/11 232906 614952
19259				0	298.33	MAY. 4/1/11 JJ: RNTL PD 2011 PT 2/14/12

Louisiana Department of Natural Resources (DNR)

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**Staff Reviews**

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District Code 2 Lafayette  
Get Review Date May 11, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
19260				0	165.17	MAY. 4/1/11 JJ: RNTL PD 2011 PT 2/14/12
19261		EUGENE ISLAND BLOCK 6	SL 18860 02/13/2008	51.65	51.65	MAY. 4/1/11 JJ ROY 2/11 PRD 1/11 237269 306035 PT 2/14/12
19262				0	52.41	MAY. 4/1/11 JJ RNTL PD 2011 PT 2/14/12
19266		EUGENE ISLAND BLOCK 10 , EUGENE ISLAND BLOCK 6	VUB;SL 19266 06/11/2008	1005	1436.26	MAY. 4/1/11 JJ ROY 2/11 PRD 1/11 237722 306105 PT 2/14/12
19268				0	183.37	MAY. 4/1/11 JJ: RNTL PD 2011 PT 2/14/12
19269		EUGENE ISLAND BLOCK 10	240836-SL 19269-002 03/07/2010	290	941.65	MAY. 4/1/11 JJ ROY 2/11 PRD 1/11 237722 306105 2/16/ RS JPT: NOT EXP. PT 2/14/12
19270				0	63.24	MAY. 4/1/11 JJ: RNTL PD 2011 PT 2/14/12
19296				0	251.38	MAY. 4/1/11 JJ: RNTL PD 2011 PT 2/14/12
19298				0	312.54	MAY 4/1/11 JJ: RNTL PD 2011 PT 2/14/12
19299		EUGENE ISLAND BLOCK 7	CIB OP G VUA;SL 19731 05/12/2010	16 564	232.77	MAY. SUGGEST AR 4/14/11 RCD UNOFL PR OF 216.206, RTNG 16.564 2/25/11 PR RQD DD 2/14/11 PT 2/14/10
19357		LAKE PALOURDE, EAST	ROB 2 RB SUA;L LANDRY ESTATE 10/13/2010 357-E-4 09-1109	5 23	5.23	MAY. SUGGEST AR 4/27/11 JPT NO PMT RQD 100%HBP ROB 1 RB SUA 600344 66570 4/26/11 DDPMT TO REID DD 5/9/11 PT 5/9/10
19642				56	70	MAY. 4/27/11 JPT: MAINTAINED BY DWNHL OPS BGNG 4/8/11- HAVE UNTIL 7/7/11 FOR DDPMT OR PR. PT 4/9/11 1/6/11 SRVY PLAT RQD CABOT CIB OP RA SUA, NO LUW YET. JPT ESTD 80% PRD
19720				0	418.62	MAY. 4/19/11 CCB. OOC ISSUED LUW ON VUA, SL 19720 #1 EI18. CO SENT IN INFO TO QUALIFY 242401. SIPMTS WOULD BE DUE 7/9/11 FOR 19720 & 12/10/11 FOR 19924, IF NEEDED.
19924				0	689.37	MAY. 4/19/11 CCB: OOC ISSUED LUW ON VUA; SL 19720 #1 EI18. CO SENT IN INFO TO QUALIFY 242401. SIPMTS WOULD BE DUE 7/9/11 FOR 19720 & 12/10/11 FOR 19924, IF NEEDED.
20022				0	19	MAY. SSSB: RNTL PAID TO 2/11/12 PT 2/11/12
20023				0	129 96	MAY. 4/1/11 JJ: RNTL PD TO 2/11/12 PT 2/11/12





Louisiana Department of Natural Resources (DNR)

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**Staff Reviews**

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**District Code**            2            *Lafayette*  
**Get Review Date**        *May 11, 2011*

<i>Lease Num</i>	<i>DA</i>	<i>Field</i>	<i>Latest lease Activity</i>	<i>Productive Acreage</i>	<i>Present Acreage</i>	<i>Flagged for Review In</i>
20024				0	74	MAY. 4/1/11 JJ: RNTL PD 2011 PT 2/11/12
20025				0	13.3	MAY. 4/1/11 JJ: RNTL PD 2011 PT 2/11/12
20027				0	25.24	MAY. 4/1/11 JJ: RNTL PD 2011 PT 2/11/12
20263				0	13	MAY. 4/1/11 JJ: RNTL PD 2011 PT 2/10/13

Louisiana Department of Natural Resources (DNR)

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**Staff Reviews**

Report run on: May 11, 2011 3:57 PM

District Code 3 Lake Charles- North  
 Get Review Date May 11, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00082		CADDO PINE ISLAND	29-NOV-22 3 No Activity - No Rental (Rt.Sheet has been circ.)	40	83.75	MAY. AR 4/14/11 SAM: HBP, AR
05500		SENTELL	H RA SUE;PITTMAN 11/01/1993	1.845	12	MAY. AR 4/14/11 SAM: HBP, OK
05501		SENTELL	H RA SUE;PITTMAN 11/01/1993	14.3	22	MAY. AR 4/14/11 SAM: HBP, OK
05502		SENTELL	SNT MPT L SU; 01/01/1988	1.805	4	MAY. AR 4/14/11 SAM: HBP, OK
05580		HONORE , SENTELL	H RA SUC;SIBLEY ET AL 01/01/1996	171.011	450	MAY. AR 4/14/11 SAM: HBP, OK
05664		CASPIANA , ELM GROVE	HA RA SU96;HUTCHINSON HEIRS 8H 10/10/2009 361-L-66 09-1187	41.3	45	MAY. AR 4/14/11 SAM: HBP, OK
06111		CASPIANA	237426-CV RA SUL;SL 6111 12-003-ALT 04/23/2008	100	100	MAY. AR 4/14/11 SAM: HBP, OK
08699		ARKANA	CV RB SU30;BARNETT 06/01/1987	29.77	29.77	MAY. AR 4/14/11 SAM: HBP, OK
08935		CADDO PINE ISLAND	CAPI VIV RA SU 03/01/1993	80	80	MAY. AR 4/14/11 SAM: HBP, OK
14400		SHREVEPORT	MPT RA SUH;WOOLWORTH 06/01/1996	154.857	154.857	MAY. AR 4/14/11 SAM: HBP, OK
14818		HODGE	HOSS B RB SUD;NOMEY 07/01/1997	5	5	MAY. AR 4/14/11 SAM: HBP, OK
16531		ELM GROVE	227826-CV RA SU133;SL 16531 31- 001-ALT 02/09/2003	397	397	MAY. AR 4/14/11 SAM: HBP, OK
18244		ELM GROVE	LCV RA SUN;MCDOWELL 07/16/1996 361-E 00-834	4 001	4.001	MAY. AR 4/13/11 SAM: NEW TRNSMTL 241664 616659 GEOGRAPHICALLY IDENTICAL TO - LCV RA SUN- 612493- FOR WHICH THERE IS A SURVEY PLAT
18371		CASPIANA	362.825 12/29/2009	167.332	167.332	MAY. AR 4/14/11 SAM: HBP, OK
18951		CATAHOULA LAKE	242543-WXD RC SU5;SL 18951-002 12/27/2010	80	259.59	MAY. SUGGEST AR UPON RCT OF PR, RQD 4/26/11 4/21/11 RS SAM:80 AC APP HBP, 180 AC APP EXP 4/21/11 JPT: NEW TRNSMTL 242543 050673 WXD RC SU5;SL 18951 W/ 40 AC

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

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District Code 3 Lake Charles- North  
 Get Review Date May 11, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
						FINAL DD 4/12/11 PT 4/12/09
19753				3	3	MAY. 4/18/11 RS SAM: LEASE HBP HOSS TP SUW 601941.
19757				4	10	MAY. 4/15/11 NO LUW - BEGAN PAYING WITH 10/10 SALES ON WSN 241358 PER CPOWELL@PETROHAWK.COM
19841		LOGANSPOUT	81.535 03/09/2011	68.465	68.465	MAY. SUGGEST AR 4/18/11 OFCL PR 81.535, RET. 68.465 AC EFF 3/9/11 1/5/11 VMV: PR WILL REL ALL NP AC, RTND & PRD WILL BE EQUAL. 3/4/10 RCD UNOFL PR OF 81.535, RTNG 68.465 PT 12/10/11 10/8/11
20114				188	359	MAY. 4/14/11 SRVY PLATS RQD ENCANA 616663 HA RA SULL & 616667 HA RA SUC
20258				0	266	MAY. PT 2/10/13 RNTL PD TO 2/10/12
20259				0	805	MAY. PT 2/10/13 RNTL PD TO 2/10/12
20269		RED RIVER-BULL BAYOU	HA RC SUQ; RENFRO 15-13-13 H 06/23/2009 109-X-44	55	55	MAY. 4/14/11 SAM: HBP, OK PT 2/10/13 TAX ADJUDICATED LANDS
20287		ELM GROVE	HA RA SU104; POWERS 28 H 11/03/2009 361-L-62	28.709	28.709	MAY. 4/19/11 SAM: 28.709 AC HBP VIA HA RA SU104, SRVY PLAT DATED 1/18/10 HAS SL 17732, WHICH MUST HAVE BEEN RELEASED & THEN RE-LEASED AS SL 20287. PT 4/14/13
20374				0	35	MAY. 4/14/11 SRVY PLAT RQD CHESAPEAKE; ORDER 501-G; HA RA SUN SAND, CONVERSE, SABINE PARISH 241317; 616674 OCT. PT 7/14/13
20476		THORN LAKE	HA RA SUV, EDGAR CASON 13H 03/03/2009 1145-B-9 09-263	45.509	42	MAY. 4/14/11 SAM: HBP, OK 4/4/11 SAM: NEW TRNSMTL 240015 616021 W/ 45.509 AC. FROM PRELIMINARY SRVY PLAT DATED 1/31/10. AC FIGURE MAY NEED CORRECTION WHEN CERTIFIED PLAT IS RCD.



# Louisiana Department of Natural Resources (DNR)

## SONRIS

## Staff Reviews

Report run on: May 11, 2011 4:14 PM

District Code 3S Lake Charles- South  
Get Review Date May 11, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
01316		EGAN	EGAN HAYES SU 08/01/1983	.52	.52	MAY. AR 4/19/11 KAM: HBP EGAN HAYES SU. CONT. AR
03113		MAURICE	BOL M3 RC SUA;R TRAHAN 04/03/2001 366-M-5 01-279	8	9	MAY. 3/23/11 REL RQD LTRS TO ELAND, TEPCO, LAMARK ENERGY
03172		PERRY POINT	31.76 07/02/2004	2.71	2.71	MAY. AR 4/19/11 KAM: HBP PPT ALL 3 RC SU, 448-A-7. CONT. AR
13559		LAKE ARTHUR, SOUTHWEST	64.118 03/03/2004	12.572	12.572	MAY. AR 4/19/11 KAM: HBP 213924 MARG H RB SUG 611475. CONT. AR
13759		LAKE ARTHUR, SOUTHWEST	68.47 03/03/2004	17.21	17.21	MAY. AR 4/19/11 KAM: HBP 211773 MARG H RB SUE 611060. CONT. AR
14077		LAKE ARTHUR, SOUTHWEST	180.034 08/27/1993	49.966	49.966	MAY. AR 4/19/11 KAM: HBP 213924 MARG H RB SUG 611475. CONT. AR
17806		CHENEYVILLE, WEST	AUS C RA SUP;CROWELL 15 04/22/2003 1415-A-3	39.847	39.847	MAY. AR 4/19/11 KAM: HBP 228422 AUS C RA SUP 049526. CONT AR
18434		GILLIS-ENGLISH BAYOU	38.321 03/25/2008	3.68	3.68	MAY. AR 4/19/11 KAM: HBP 232421 VUA 305607. CONT. AR
18452		BECKWITH CREEK	4.773 04/10/2006	.227	.227	MAY. AR 4/19/11 KAM: HBP 049842. CONT. AR
18807		IOTA	2.447 03/20/2009	7.013	7.013	MAY. AR 4/21/11 RQD REL 4/19/11 KAM: SN 234373, LUW 049984, KL-HMSKRS RA SUA, P&A 12/3/10. NO PROD. LEASE EXP. RS COMP'D
18809		GRAND LAKE	36.347 01/27/2011	150.383	150.383	MAY. AR 4/18/11 OFFICIAL PR 36.347 AC, RET 150.383 EFF 1/12/11
19257				0	74.34	MAY. 4/19/11 KAM: RNTL PD 2011. CONT. AR PT 2/14/12
19258				0	439.15	MAY. 4/19/11 KAM: RNTL PD 2011. CONT. AR PT 2/14/12
19663		IOTA	3.894 08/13/2010	2.257	2.257	MAY. 4/19/11 KAM:HBP 239498, 050448, 8200 RA SUA, 181-U. SUGGEST AR. PT 5/14/11
19895		PORT BARRE	44.188 04/11/2011	4.812	4.812	MAY. 4/14/11 RCD OFL PR OF 44.188, RTNG 4.812 AC EFF 4/11/11 PT 12/10/11 10/8/11
20261		GILLIS-ENGLISH BAYOU	62.42 04/01/2011	22.58	22.58	MAY. 4/18/11 OFCL PR 62.420 AC EFF 4/1/11 PT 2/10/13
20360				0	37	MAY. 4/19/11 KAM: 7.414 AC UNTZD, WOP. REV 8/2011. 4/8/11 KAM: NEW TRNSMTL 242010 616635 HBY RC SUA WELL SI WOP SEP. PT 6/9/13

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29,934.322

62,104.831



**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 **9:46 a.m.** on Wednesday, **May 11, 2011** with the following members of the Board in attendance:

Mr. Thomas L. Arnold, Jr.	Mr. Emile B. Cordaro	Mr. John C. Diez
Mr. Robert D. Harper	Mr. Bay Elliott Ingram	Mr. Robert M. Morton
Mr. Thomas W. Sanders	Mr. W. Paul Segura, Jr.	Mr. Darryl D. Smith

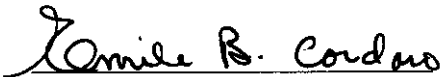
The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the July 13, 2011 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Sanders** duly seconded by **Mr. Arnold**, the Committee voted unanimously to recommend to the Board 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 recommended that Tract No. 42067 be withdrawn due to erroneous description. On the motion of **Mr. Sanders**, duly seconded by **Mr. Arnold**, the Committee voted unanimously to withdraw Tract No. 42067 from today's lease sale.

The Committee recommended that Tract No. 42051 be withdrawn due to not having been advertised in the official parish journal of East Feliciana Parish. On the motion of **Mr. Arnold**, duly seconded by **Mr. Sanders**, the Committee voted unanimously to withdraw Tract No. 42051 from today's lease sale.

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

Respectfully Submitted,

 *by E.B.*  
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. Sanders*, seconded by, *Mr. Arnold*, the following Resolution was offered and adopted:

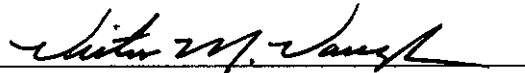
WHEREAS, Mr. Emile Fontenot presented to the State Mineral and Energy Board 82 tracts that had been nominated for the July 13, 2011 Mineral Lease Sale, and that same are to be advertised pending staff review; now therefore

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 11th day of May 2011, 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

## NOMINATION AND TRACT COMMITTEE

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

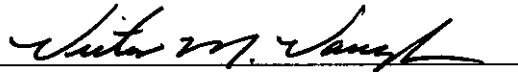
WHEREAS, the staff presented to the Board a recommendation to withdraw Tract No. 42067.

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 authorize the withdrawal of said tract from the May 11, 2011 Lease Sale.

## 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 11<sup>th</sup> day of May 2011, 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

## NOMINATION AND TRACT COMMITTEE

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

WHEREAS, the staff presented to the Board a recommendation to withdraw Tract No. 42051.

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 authorize the withdrawal of said tract from the May 11, 2011 Lease Sale.

## 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 11<sup>th</sup> day of May 2011, 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, May 11, 2011, 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

John C. "Juba" Diez  
Bay E. Ingram  
Robert "Michael" Morton

Thomas W. Sanders  
W. Paul Segura, Jr.  
Darryl D. Smith

Mr. Thomas L. Arnold, Jr. convened the Committee at 9:50 a.m.


The first matter considered by the Committee was a recoupment request from XTO Energy, Inc. for an overpayment in the amount of \$157,794.12.

Upon recommendation of the staff and upon motion of Mr. Sanders, seconded by Mr. Darryl Smith, the Committee voted unanimously to allow XTO Energy to recoup this overpayment from future royalties.

The second matter considered by the Committee was the election of the May 2011 gas royalty to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

No action required.

On motion of Mr. Sanders, seconded by Mr. Segura, the Board voted unanimously to adjourn the Audit Committee at 9:54 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. Sanders, seconded by Mr. Smith, the following resolution was offered and unanimously adopted:

**WHEREAS**, XTO Energy, Inc. has made a letter application for an adjustment of \$157,794.12 for the South Pass Block 42 Field, State Leases 16869 and 16870; and

**WHEREAS**, this amount was based on XTO Energy, Inc. submitting an overpayment of oil royalties based on estimated volumes and values for the period of November 2009, April, June, and August 2010 in the South Pass Block 42 Field; and

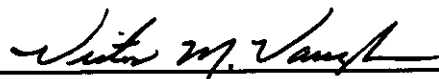
**WHEREAS**, the Mineral Income Division has verified that an overpayment in the amount of \$157,794.12 was made and that the applicant is entitled to a credit adjustment; and

**WHEREAS**, the State Mineral and Energy Board after reviewing the work of the Mineral Income Division, agrees that the applicant is entitled to an adjustment, does recommend that the State allow XTO Energy, Inc. to recoup the \$157,794.12 overpayment.

**NOW, BE IT THEREFORE RESOLVED**, that the Board does authorize and direct the Mineral Income Director to effectuate the credit adjustment of \$157,794.12 to XTO Energy, Inc. on a one-time or lump sum basis or on such terms deemed necessary by the Director, which are legally permissible, and without prejudice to any other rights of the state.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 11<sup>th</sup> day of May, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD



**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 May 11, 2011, 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. Thomas W. Sanders  
Mr. Thomas L. Arnold, Jr.  
Mr. W. Paul Segura, Jr.  
Mr. Robert "Michael" Morton  
Mr. Bay Elliott Ingram

Mr. Emile B. Cordaro  
Mr. Darryl David Smith  
Mr. John C. "Juba" Diez  
Mr. Robert D. Harper (sitting in for  
Secretary Scott A. Angelle)

The Legal and Title Controversy Committee was called to order by Mr. Sanders at 9:55 a.m.

A request was made by Staff to add the following item to the Legal & Title Controversy Committee Agenda:

A request to grant the Attorney General's office authority to intervene, if necessary, in any litigation that may arise between The Harvest Group and Harvest Holdings LLC.

Upon recommendation of the staff, no objections or comments made from the public, and upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the State Mineral and Energy Board add this item to the Legal & Title Controversy Committee Agenda as Item No. 9 and referenced as the ninth matter in this report.

The first matter considered by the Committee was a request for final approval of a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board, Stone Energy Offshore, L.L.C., Tenkay Resources, Inc., Probe Resources, Inc., Lava Exploration, Inc., John T. Cook, Griner Energy, Inc. and Griner Exploration, LLC, whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 17309, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-09.

Upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the Louisiana State Mineral and Energy Board grant final approval of the Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board, Stone Energy Offshore, L.L.C., Tenkey Resources, Inc., Probe Resources, Inc., Lava Exploration, Inc., John T. Cook, Griner Energy, Inc. and Griner Exploration, LLC, on the docket as Item No. 11-09. No comments were made by the public.

The second matter considered by the Committee was a request for final approval of a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 17595, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-10.

Upon recommendation of the staff and upon motion of Mr. Cordaro, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of the Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., on the docket as Item No. 11-10. No comments were made by the public.

The third matter considered by the Committee was a request for final approval of a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 15074, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-12.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of the Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., on the docket as Item No. 11-12. No comments from the public were made.

The fourth matter considered by the Committee was a request for final approval of a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 10830, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-13.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of the Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., on the docket as Item No. 11-13. No comments from the public were made.

The fifth matter considered by the Committee was a request by JGC Energy Development (USA) Inc. for authority to place disputed royalty in an interest-bearing account pending resolution of a survey issue in regard to the boundary of Section 16, Township 18 South, Range 23 East, Jefferson and Lafourche Parishes, as it pertains to L TP 6 RA SUA, State Lease No. 19864 No. 1 Well.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant JGC Energy Development (USA) Inc. the authority to place disputed royalty in an interest-bearing account pending resolution of a survey issue. No comments from the public were made.

The sixth matter considered by the Committee was a request by EnCana Oil & Gas (USA), Inc. for authority to place royalty attributable to a title disputed portion of Coushatta Bayou under A0158 located in HA RA SUF; M&M Almond 3H Well in an interest-bearing account pending a resolution of the title claims. This unit is located in Section 3, Township 12 North, Range 10 West, Red River Parish.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Encana Oil & Gas (U.S.A.), Inc. the authority to place the royalty attributable to the title disputed portion of Coushatta Bayou in an interest bearing account until title is resolved, but for no more than 90 days, whereafter, if title has not been resolved or a compromise not agreed upon, Encana will initiate a concursus proceeding and place the funds in the Registry of the Court. No comments from the public were made.

The seventh matter considered by the Committee was a request by Energy XXI GOM, LLC for a one (1) year extension of the primary term covering State Lease Nos. 19707, 19708, 19709, & 19710 effective June 11, 2011, Jefferson Parish, Louisiana. Energy XXI has agreed to pay a full bonus for each lease and to increase the State's royalty percentage from 21% to 21.5% on each lease.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Energy XXI GOM, LLC an additional year primary term on State Lease Nos. 19707, 19708, 19709, & 19710 in return for full bonus payment for each lease and an increase in the State's royalty percentage by one-half percent (from 21% to 21½ %) on each lease. No comments from the public were made.

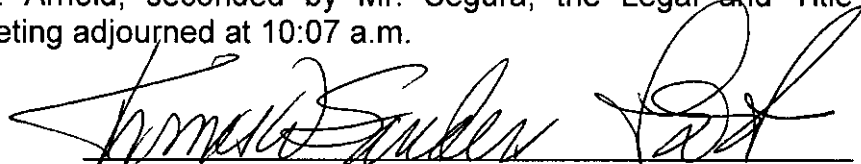
The eighth matter considered by the Committee was a request by Chesapeake Louisiana, L.P. for authority to propose terms for entering into a proposed Operating Agreement covering a total of +/- 899 acres located in Sections 13, 14, 15, 23 and 24, DeSoto Parish, Louisiana, portions of which are in title controversy with the Albrittons and is under legal review by the Attorney General's office.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Chesapeake Louisiana, L.P. the authority to propose terms for entering into a proposed Operating Agreement covering a total of +/- 899 acres located in Sections 13, 14, 15, 23 and 24, DeSoto Parish, Louisiana, portions of which are in title controversy with the Albrittons. Any negotiations will be contingent upon clearance from the Attorney General's office. No comments from the public were made.

The ninth matter considered by the Committee was a request to grant the Attorney General's office authority to intervene, if necessary, in any litigation that may arise between The Harvest Group and Harvest Holdings LLC.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant the Attorney General's office authority to intervene, if necessary, in any litigation that may arise between The Harvest Group and Harvest Holdings LLC. No comments from the public were made.

Upon motion of Mr. Arnold, seconded by Mr. Segura, the Legal and Title Controversy Committee meeting adjourned at 10:07 a.m.

A handwritten signature in black ink, appearing to read 'Thomas W. Sanders', is written over a horizontal line. To the right of the signature is another smaller, less legible handwritten mark.

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

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

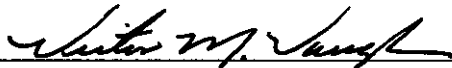
**WHEREAS**, a request was made for final approval of a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board, Stone Energy Offshore, L.L.C., Tenkay Resources, Inc., Probe Resources, Inc., Lava Exploration, Inc., John T. Cook, Griner Energy, Inc. and Griner Exploration, LLC, whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 17309, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-09;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board, Stone Energy Offshore, L.L.C., Tenkay Resources, Inc., Probe Resources, Inc., Lava Exploration, Inc., John T. Cook, Griner Energy, Inc. and Griner Exploration, LLC, on the docket as Item No. 11-09.

## 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 11th day of May, 2011, 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. Cordaro, seconded by Mr. Arnold, the following resolution was offered and unanimously adopted:

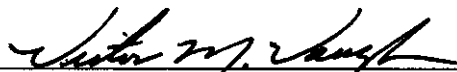
**WHEREAS**, a request was made for final approval of a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 17595, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-10;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., on the docket as Item No. 11-10.

## 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 11th day of May, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

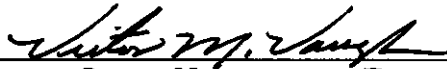
**WHEREAS**, a request was made for final approval of a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 15074, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-12;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., on the docket as Item No. 11-12.

## 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 11th day of May, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

**WHEREAS**, a request was made for final approval of a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 10830, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-13;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., on the docket as Item No. 11-13.

## 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 11th day of May, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

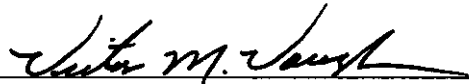
**WHEREAS**, a request was made by JGC Energy Development (USA) Inc. for authority to place disputed royalty in an interest-bearing account pending resolution of a survey issue in regard to the boundary of Section 16, Township 18 South, Range 23 East, Jefferson and Lafourche Parishes, as it pertains to L TP 6 RA SUA, State Lease No. 19864 No. 1 Well;

**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 JGC Energy Development (USA) Inc. the authority to place disputed royalty in an interest-bearing account pending resolution of a survey issue.

## 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 11th day of May, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

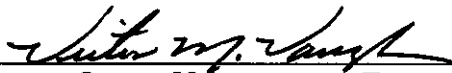
**WHEREAS**, a request was made by EnCana Oil & Gas (USA), Inc. for authority to place royalty attributable to a title disputed portion of Coushatta Bayou under A0158 located in HA RA SUF; M&M Almond 3H Well in an interest-bearing account pending a resolution of the title claims. This unit is located in Section 3, Township 12 North, Range 10 West, Red River Parish;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant Encana Oil & Gas (U.S.A.), Inc. the authority to place the royalty attributable to the title disputed portion of Coushatta Bayou in an interest bearing account until title is resolved, but for no more than 90 days, whereafter, if title has not been resolved or a compromise not agreed upon, Encana will initiate a concursus proceeding and place the funds in the Registry of the Court.

## 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 11th day of May, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

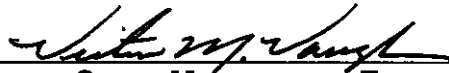
**WHEREAS**, a request was made by Energy XXI GOM, LLC for a one (1) year extension of the primary term covering State Lease Nos. 19707, 19708, 19709, & 19710 effective June 11, 2011, Jefferson Parish, Louisiana. Energy XXI has agreed to pay a full bonus for each lease and to increase the State's royalty percentage from 21% to 21.5% on each lease;

**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 Energy XXI GOM, LLC an additional year primary term on State Lease Nos. 19707, 19708, 19709, & 19710 in return for full bonus payment for each lease and an increase in the State's royalty percentage by one-half percent (from 21% to 21½ %) on each lease.

## 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 11th day of May, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

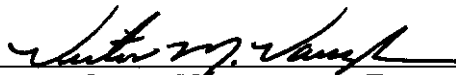
**WHEREAS**, a request was made by Chesapeake Louisiana, L.P. for authority to propose terms for entering into a proposed Operating Agreement covering a total of +/- 899 acres located in Sections 13, 14, 15, 23 and 24, DeSoto Parish, Louisiana, portions of which are in title controversy with the Albrittons and is under legal review by the Attorney General's office;

**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 Chesapeake Louisiana, L.P. the authority to propose terms for entering into a proposed Operating Agreement covering a total of +/- 899 acres located in Sections 13, 14, 15, 23 and 24, DeSoto Parish, Louisiana, portions of which are in title controversy with the Albrittons. Any negotiations will be contingent upon clearance from the Attorney General's office.

## 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 11th day of May, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

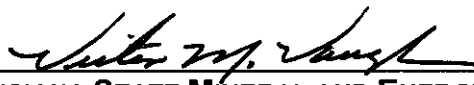
**WHEREAS**, a request was made by Staff to grant the Attorney General's office authority to intervene, if necessary, in any litigation that may arise between The Harvest Group and Harvest Holdings LLC;

**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 Attorney General's office authority to intervene, if necessary, in any litigation that may arise between The Harvest Group and Harvest Holdings LLC.

## 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 11th day of May, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD

**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 10:05 a.m. on Wednesday, May 11, 2011. Board Members present were Mr. Robert D. Harper, sitting in for DNR Secretary Scott A. Angelle, Mr. John C. "Juba" Diez, Mr. Thomas W. Sanders, Mr. Thomas L. Arnold, Jr., Mr. Emile Cordaro, Mr. Darryl D. Smith, Mr. W. Paul Segura, Jr., Mr. Bay E. Ingram and Mr. Robert "Michael" Morton.

The Committee made the following recommendations:

Approve State Agency Leases A, B and C on page 1 and 2;

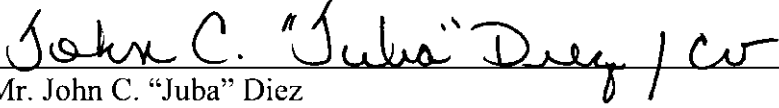
Approve all Assignments on pages 3 through 10; No. 14 on pages 8 would be approved subject to the approval of the Governor of Louisiana;

Approve the following items upon recommendation of the Legal and Title Controversy Committee: Docket Item Nos. 11-09, 11-10, 11-11 and 11-12 on pages 12 and 13.

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

There being no further business to come before the committee, upon motion of Mr. Ingram, and seconded by Mr. Sanders, the committee voted unanimously to adjourn the meeting at 10:08 a.m.

Respectfully submitted,

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

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



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the May 11, 2011 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Vermilion Parish Schools, dated March 17, 2011, awarded to Pride Oil & Gas Properties, Inc., covering lands located in North Half and the North Half of the South Half of Section 16, Township 14 South, Range 2 West, Vermilion Parish, Louisiana, containing 491 acres, more or less, with further contractual obligations being more enumerated in the instrument.

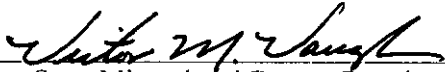
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, 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 11th day of May, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item B from the May 11, 2011 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Vermilion Parish Schools, dated March 17, 2011, awarded to Pride Oil & Gas Properties, Inc., covering lands located in the South Half of Section 16, Township 13 South, Range 2 West, Vermilion Parish, Louisiana, containing 320 acres, more or less, with further contractual obligations being more enumerated in the instrument.

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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, 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 11th day of May, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item C from the May 11, 2011 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Vermilion Parish Schools, dated March 17, 2011, awarded to Jolie Holdings Group, L.L.C., covering lands located in the entirety of Section 16, Township 12 South, Range 1 West, Vermilion Parish, Louisiana, containing 640.32 acres, more or less, with further contractual obligations being more enumerated in the instrument.

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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, 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 11th day of May, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the May 11, 2011 Meeting be approved, said instrument being an Assignment from Maritech Resources, Inc. to Tchefuncte Natural Resources, L.L.C., of all of Assignor's right, title and interest in and to State Lease No. 707, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

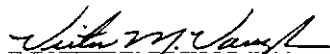
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 11th day of May, 2011, 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. Sanders seconded by Mr. Ingram, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the May 11, 2011 Meeting be approved, said instrument being an Assignment from Cabot Oil & Gas Corporation to Petrodome Around the Horn, L.L.C. an undivided 50% of Assignor's right, title and interest in and to State Lease No. 19642, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument

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

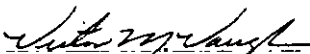
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 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 11th day of May, 2011, 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. Sanders seconded by Mr. Ingram, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the May 11, 2011 Meeting be approved, said instrument being an Assignment from S Parish Oil Company, Inc to Burrwood, L.P, of all of Assignor's right, title and interest in and to State Lease No 2566, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument

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

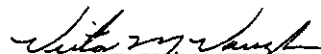
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of May, 2011, 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. Sanders seconded by Mr. Ingram, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the May 11, 2011 Meeting be approved, said instrument being an Assignment and Correction of Assignment from Rosetta Resources Offshore, L.L.C. to Vista Tex Energy, L.L.C. of all of Assignor's right, title and interest in and to State Lease No. 13893, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

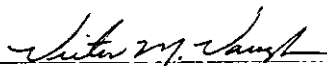
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of May, 2011, 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. Sanders seconded by Mr. Ingram, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 5 from the May 11, 2011 Meeting be approved, said instrument being An Assignment and Correction of Assignment from Rosetta Resources Offshore, L.L.C to Vista Tex Energy, L.L.C. of all of Assignor's right, title and interest in and to State Lease No 14357 Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

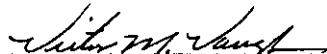
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATION:

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 11th day of May, 2011, 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. Sanders seconded by Mr. Ingram, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the May 11, 2011 Meeting be approved, said instrument being an Assignment from Hilcorp Energy I, L.P. to Castex Energy, Inc. and Castex Energy 2008, L.P., of all of Assignor's right, title and interest in and to Operating Agreement "A0072", Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument

Castex 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,

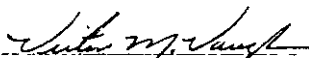
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 11th day of May, 2011, 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

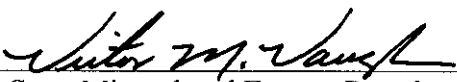
## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of apples, seconded by oranges, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 7 from the May 11, 2011, Meeting be approved, said instrument being a Correction of Resolution No. 2 from the November 10, 2010 Meeting, being a Change of Name whereby Araxas Exploration, Inc. is changing its name to XPLOR Energy Operating Company, whereas State Lease No. 1480 was omitted from said resolution and is hereby being added, affecting State Lease Nos. 1480 and 14284, Lafourche Parish, Louisiana.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of May, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 8 from the May 11, 2011 Meeting be approved, said instrument being an Assignment from Encana Oil & Gas (USA) Inc to SWEPI L.P, an undivided 50% of Assignor's right, title and interest in and to State Lease Nos 20405, 20424 and 20425, DeSoto, Red River and Natchitoches Parishes, Louisiana, 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.

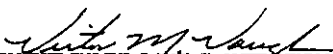
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows

- 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 11<sup>th</sup> day of May, 2011, 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. Sanders seconded by Mr. Ingram, the following Resolution was offered and adopted.

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 9 from the May 11, 2011 Meeting be approved, said instrument being An Assignment from Classic Petroleum, Inc to Chesapeake Louisiana, L.P. of all of Assignor's right, title and interest in and to State Lease No 20543, Sabine Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

- 1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board,
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any 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 11th day of May, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10 from the May 11, 2011 Meeting be approved, said instrument being an Assignment from Paramount Energy, Inc. to Chesapeake Louisiana, L.P. of all of Assignor's right, title and interest in and to State Lease No. 20536, Sabine Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

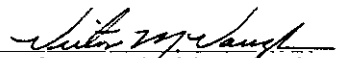
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of May, 2011, 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. Sanders seconded by Mr. Ingram, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11 from the May 11, 2011 Meeting be approved, said instrument being an Assignment from PetroQuest Energy, L.L.C. of an undivided interest to the following in the proportions set out below:

Yuma Exploration and Production Company, Inc	5 00000% of 8/8ths
JGC Energy Development (USA) Inc.	9 50000% of 8/8ths
Guardian Oil & Natural Gas, Inc	1 08300% of 8/8ths
Walter Oil & Gas Corporation	14 56289% of 8/8ths
Wagner Oil Company	5 16912% of 8/8ths
Gulf Coast Mid West Energy Capital #5 LP	0.95000% of 8/8ths
The Chalkley Exploration Group, L.L.C	3 80000% of 8/8ths
Stone Energy Corporation	33 11100% of 8/8ths
GG Oil & Gas I, Inc	4 75000% of 8/8ths

in and to State Lease No. 20181, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument

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

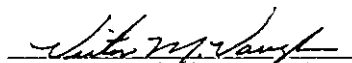
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows.

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of May, 2011, 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. Sanders seconded by Mr. Ingram, the following Resolution was offered and adopted.

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12 from the May 11, 2011 Meeting be approved, said instrument being An Assignment from Castex Energy 2005 L.P., of all of Assignor's right, title and interest to the following in the proportions set out below:

Castex Energy Partners, L.P.	50% of 8/8ths
Castex Energy 2008, L.P.	50% of 8/8ths

in and to State Lease No. 5683, Terrebonne Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers the 1.36 acres of state acreage lying within the boundaries of the 12,800' RB VUA and only as to that certain sand between the depths of 13,013' and 13,137', with further particulars being stipulated in the instrument.

Castex Energy Partners, 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,

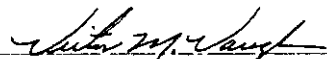
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 11th day of May, 2011, 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. Sanders seconded by Mr. Ingram, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13 from the May 11, 2011 Meeting be approved, said instrument being An Assignment from Castex Energy 2005, L.P., of all of Assignor's right, title and interest to the following in the proportions set out below:

Castex Energy Partners, L.P. 18.75% of 8/8ths

Castex Energy 2008, L.P. 18.75% of 8/8ths

in and to State Lease No. 14108, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument

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

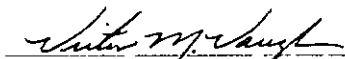
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of May, 2011, 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. Sanders seconded by Mr. Ingram, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 14 from the May 11, 2011 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from Rabbit Island, L.P. to Castex Energy 2005, L.P., an undivided 38.889% of 8/8ths interest in and to State Lease No. 340, Iberia and St. Mary Parishes, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to the geographic Areas 0 thru 6, shown on the plat attached hereto as Exhibit "A", **AND FURTHER LIMITED TO** those depths at or below 100' below the base of the 20 Sand, with further particulars being stipulated in the instrument

Energy XXI Onshore 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.

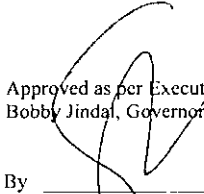
BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

### 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 11th day of May, 2011, 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. Sanders seconded by Mr. Ingram, the following Resolution was offered and adopted.

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 15 from the May 11, 2011 Meeting be approved, said instrument being an Assignment from Davis Petroleum Corp., of an undivided 69.50% interest to the following in the proportions set out below:

Venture Exploration Corp. d/b/a Combined Resources Group	25.00%
Stephens Production Company, LLC	22.50%
Gregco Resources Inc	2.00%
Opal Investments LP	2.00%
Steele Creek Investment Company	1.00%
The Chalkley Exploration Group, LLC	15.00%
K.C. Whittemore	1.00%
Petroquest Resources, Inc	1.00%

in and to State Lease No. 19354, Cameron 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 11th day of May, 2011, 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. Sanders seconded by Mr. Ingram, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16 from the May 11, 2011 Meeting be approved, said instrument being an Assignment from Davis Petroleum Corp., of an undivided 69.50% interest to the following in the proportions set out below.

Venture Exploration Corp. d/b/a Combined Resources Group	25.00%
Stephens Production Company, L.L.C.	22.50%
Gregco Resources Inc.	2.00%
Opal Investments LP	2.00%
Steele Creek Investment Company	1.00%
The Chaikley Exploration Group, L.L.C.	15.00%
K. C. Whittemore	1.00%
Petroquest Resources, Inc.	1.00%

in and to State Lease No. 20377, Cameron 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 11th day of May, 2011, 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. Sanders seconded by Mr. Ingram, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17 from the May 11, 2011 Meeting be approved, said instrument being an Assignment from Steele Creek Investment Company to Steele Creek Energy, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 19354 and 20377, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

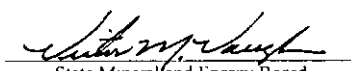
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of May, 2011, 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. Sanders seconded by Mr. Ingram, the following Resolution was offered and adopted.

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18 from the May 11, 2011 Meeting be approved, said instrument being an Assignment from Maritech Resources, Inc. to Development Oil and Gas, L.L.C., of all of Assignor's right, title and interest in and to State Lease No. 7964, Acadia Parish, Louisiana, with further particulars being stipulated in the instrument.

Nexen Petroleum 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 11th day of May, 2011, 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. Sanders seconded by Mr. Ingram, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 19 from the May 11, 2011 Meeting be approved, said instrument being an Assignment from Mark A. O'Neal & Associates, Inc. to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease Nos. 20538 and 20548, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument

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

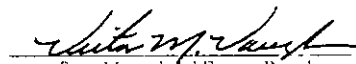
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, 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 11th day of May, 2011, 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

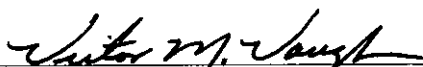
On motion of Mr. Sanders, seconded by Mr. Ingram, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-09 from the May 11, 2011, Meeting be approved, said instrument being a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board, Stone Energy Offshore, L.L.C., Tenkay Resources, Inc., Probe Resources, Inc., Lava Exploration, Inc., John T. Cook, Griner Energy, Inc. and Griner Exploration, LLC, whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 17309, Terrebonne 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 11th day of May, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

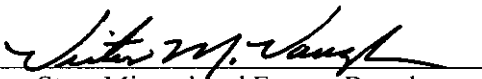
On motion of Mr. Sanders, seconded by Mr. Ingram, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-10 from the May 11, 2011, Meeting be approved, said instrument being a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 17595, Terrebonne 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 11th day of May, 2011 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

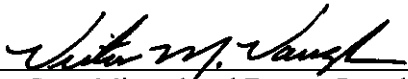
On motion of Mr. Sanders, seconded by Mr. Ingram, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-11 from the May 11, 2011, Meeting be approved, said instrument being a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 15074, Terrebonne 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 11th day of May, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-12 from the May 11, 2011, Meeting be approved, said instrument being a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 10830, Terrebonne 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 11th day of May, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board