

MINUTES

STATE MINERAL AND ENERGY BOARD

REGULAR MEETING AND LEASE SALE

NOVEMBER 10, 2010

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on Wednesday, November 10, 2010, beginning at 11:00 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

Mr. W. Paul Segura, Jr., acting as Chairman in the absence of Chairman Scott A. Angelle, called the meeting to order. He then requested Mr. Jody Montelaro, Secretary to the State Mineral and Energy Board, 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
Thomas W. Sanders
Darryl D. Smith
Robert D. Harper, DNR Secretary
Chip Kline (sitting in for Lt. Governor Scott A. Angelle, Governor Jindal's designee to the State Mineral and Energy Board)

The following members of the Board were recorded as absent:

Scott A. Angelle, Chairman
Robert "Michael" Morton
Helen G. Smith

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

Also recorded as present were:

Jody Montelaro, Assistant Secretary of the Office of Mineral Resources, and
Secretary to the State Mineral and Energy Board
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
Isaac Jackson, DNR General Counsel
Ryan Seidemann, Assistant Attorney General

The Chairman then stated that the next order of business was the approval of the October 13, 2010 Minutes. A motion was made by Mr. Sanders to adopt the Minutes as submitted by the Executive Officer of the State Mineral and Energy Board and to waive reading of same. His motion was seconded by Mr. Smith and unanimously adopted by the Board. (No public comment was made at this time.)

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

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

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

The Chairman then announced that the Board would recess its regular meeting at 11:03 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. Sanders, and unanimously adopted by the Board.

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

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

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

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to reject the bid on Tract 41687 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. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41698 to Matador Resources Company, with a cash payment of \$1,179,200.00.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41699 to Matador Resources Company, with a cash payment of \$827,136.00.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41700 to Matador Resources Company, with a cash payment of \$450,240.00.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41701 to Matador Resources Company, with a cash payment of \$379,104.00.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41702 to Matador Resources Company, with a cash payment of \$1,811,680.00.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41703 to Matador Resources Company, with a cash payment of \$353,760.00.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to reject the bid on Tract 41704 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41705 to Orbit Energy, Inc.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41708, said portion being 127.0 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41709, said portion being 242.39 acres more particularly described in said bid and outlined on accompanying plat, to Attic Investment, Inc.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41711, said portion being 115.0 acres more particularly described in said bid and outlined on accompanying plat, to Etroa Resources, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41712, said portion being 457.0 acres more particularly described in said bid and outlined on accompanying plat, to Hilcorp Energy I, L.P.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41713, said portion being 161.19 acres more particularly described in said bid and outlined on accompanying plat, to Brammer Engineering, Inc.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41716 to QEP Energy Company.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41717 to QEP Energy Company.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41719 to Paramount Energy, Inc.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41721 to Paramount Energy, Inc.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41722 to Kinder Oil & Gas, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41723 to Ric Bajon & Associates.

At this time, the Chairman stated that the Board would open up bidding from the floor regarding Tract No. 41687 on which there was one bid received but had to be rejected due to an improper check.

Mr. Paul Boyer came forward representing Wainwright & Boyer Land Services, LLC and offered the following bid: His bid consisted of a portion being 744.95 acres, primary term of 5 years, a cash payment of 271,906.75, price per acre of \$365.00, annual rental of \$135,953.38 and a royalty of 21.5%.

The Chairman then inquired as to whether or not there was anyone else who would like to offer a bid on Tract No. 41687. There being no other bidders, he stated that bidding from the floor regarding Tract No. 41687 was closed. A motion was made by Mr. Sanders, seconded by Mr. Arnold and based upon recommendation by the staff, the Board voted unanimously to award a lease to Wainwright & Boyer Land Services, LLC.

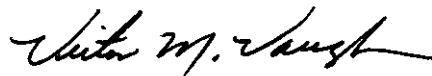
This concluded the awarding of the leases.

The following announcements were then made:

Secretary Montelaro stated that total cash payments for the November 10, 2010 Lease Sale came to \$6,592,803.57 and the year-to-date cash payments for 2010-2011 are \$18,733,824.23.

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

Respectfully submitted,



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 NOVEMBER 10, 2010 MINUTES
BY REFERENCE**

A public meeting for the purpose of opening sealed bids was held on Wednesday, November 10, 2010, beginning at 8:30 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

Jody Montelaro, Assistant Secretary of the Office of Mineral Resources, and
Secretary to the State Mineral and Energy Board
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
Ryan Seidemann, Assistant Attorney General

Mr. Victor Vaughn, at the request of Secretary Jody Montelaro, 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:

November 10, 2010

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. 41685 through 41723 have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended.

Yours very truly,

(Original signed)

Jody Montelaro
Secretary

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

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

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

OFFSHORE TRACTS

Tract 41685

No Bids

Tract 41686

No Bids

Tract 41687
(Portion – 744.95 acres)

Bidder	:	Wainwright & Boyer Land Services, LLC
Primary Term	:	Five (5) years
Cash Payment	:	\$271,906.75
Annual Rental	:	\$135,953.38
Royalties	:	21.5% on oil and gas
	:	21.5% on other minerals
Additional Consideration	:	None

Tract 41688

No Bids

Tract 41689

No Bids

Tract 41690

No Bids

Tract 41691

No Bids

Tract 41692

No Bids

Tract 41693

No Bids

November 10, 2010

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Tract 41694

No Bids

Tract 41695

No Bids

Tract 41696

No Bids

Tract 41697

No Bids

INLAND TRACTS

Tract 41698

Bidder	:	Matador Resources Company
Primary Term	:	Three (3) years
Cash Payment	:	\$1,179,200.00
Annual Rental	:	\$589,600.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41698

Bidder	:	Matador Resources Company
Primary Term	:	Three (3) years
Cash Payment	:	\$1,387,980.00
Annual Rental	:	\$693,990.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 41698

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$1,032,680.00
Annual Rental	:	\$516,340.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

Tract 41698

Bidder	:	QEP Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$1,000,010.00
Annual Rental	:	\$4,545.50
Royalties	:	1/4th on oil and gas
	:	1/4th on other minerals
Additional Consideration	:	None

Tract 41699

Bidder	:	Matador Resources Company
Primary Term	:	Three (3) years
Cash Payment	:	\$827,136.00
Annual Rental	:	\$413,568.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41699

Bidder	:	Matador Resources Company
Primary Term	:	Three (3) years
Cash Payment	:	\$1,211,328.00
Annual Rental	:	\$605,664.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 41699

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$756,096.00
Annual Rental	:	\$378,048.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

Tract 41699

Bidder	:	QEP Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$523,680.00
Annual Rental	:	\$2,727.50
Royalties	:	1/4th on oil and gas
	:	1/4th on other minerals
Additional Consideration	:	None

Tract 41700

Bidder	:	Matador Resources Company
Primary Term	:	Three (3) years
Cash Payment	:	\$450,240.00
Annual Rental	:	\$225,120.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41700

Bidder	:	Matador Resources Company
Primary Term	:	Three (3) years
Cash Payment	:	\$529,956.00
Annual Rental	:	\$264,978.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 41700

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$246,792.00
Annual Rental	:	\$123,396.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

Tract 41700

Bidder	:	QEP Energy Company
Primary Term	:	One (1) year
Cash Payment	:	\$305,466.00
Annual Rental	:	\$3,636.50
Royalties	:	1/4th on oil and gas
	:	1/4th on other minerals
Additional Consideration	:	None

Tract 41700

Bidder	:	Encana Oil & Gas (USA) Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$211,176.00
Annual Rental	:	\$105,588.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

Tract 41701

Bidder	:	Matador Resources Company
Primary Term	:	Three (3) years
Cash Payment	:	\$379,104.00
Annual Rental	:	\$189,552.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41701

Bidder	:	Matador Resources Company
Primary Term	:	Three (3) years
Cash Payment	:	\$555,192.00
Annual Rental	:	\$277,596.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 41701

Bidder	:	QEP Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$240,020.00
Annual Rental	:	\$2,727.50
Royalties	:	1/4th on oil and gas
	:	1/4th on other minerals
Additional Consideration	:	None

Tract 41702

Bidder	:	Matador Resources Company
Primary Term	:	Three (3) years
Cash Payment	:	\$1,811,680.00
Annual Rental	:	\$905,840.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41702

Bidder	:	Matador Resources Company
Primary Term	:	Three (3) years
Cash Payment	:	\$2,132,442.00
Annual Rental	:	\$1,066,221.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 41702

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$1,586,572.00
Annual Rental	:	\$793,286.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

Tract 41702

Bidder	:	QEP Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$1,229,137.00
Annual Rental	:	\$3,636.50
Royalties	:	1/4th on oil and gas
	:	1/4th on other minerals
Additional Consideration	:	None

Tract 41703

Bidder	:	Matador Resources Company
Primary Term	:	Three (3) years
Cash Payment	:	\$353,760.00
Annual Rental	:	\$176,880.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41703

Bidder	:	Matador Resources Company
Primary Term	:	Three (3) years
Cash Payment	:	\$416,394.00
Annual Rental	:	\$208,197.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 41703

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$193,611.00
Annual Rental	:	\$96,805.50
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

Tract 41703

Bidder	:	Encana Oil & Gas (USA) Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$165,924.00
Annual Rental	:	\$82,962.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

Tract 41704

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$555,261.00
Annual Rental	:	\$277,630.50
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

Tract 41705

Bidder	:	Orbit Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$13,296.00
Annual Rental	:	\$6,648.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41705

Bidder	:	Albert S. Ruffin, Jr.
Primary Term	:	Three (3) years
Cash Payment	:	\$7,236.00
Annual Rental	:	\$7,236.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41705

Bidder	:	Ric Bajon & Associates
Primary Term	:	Three (3) years
Cash Payment	:	\$7,272.00
Annual Rental	:	\$3,636.00
Royalties	:	26% on oil and gas
	:	26% on other minerals
Additional Consideration	:	None

Tract 41706

No Bids

Tract 41707

No Bids

Tract 41708
(Portion – 127.0 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$38,227.00
Annual Rental	:	\$19,113.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41709
(Portion – 242.39 acres)

Bidder	:	Attic Investment, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$41,206.30
Annual Rental	:	\$20,603.15
Royalties	:	20.5% on oil and gas
	:	20.5% on other minerals
Additional Consideration	:	Attic Investment, Inc. ("Attic"), is the owner of the SL 14441 Well No. 1 (SN 218826), which well is located on the lands described in this portion bid. Attic will, during the first year of the primary term of the lease, commence good faith operations in an effort to restore production from said well. In the event Attic fails to commence such good faith operations, Attic will, within thirty (30) days from the November 2011 anniversary date of the lease,

pay the State of Louisiana, as liquidated damages,
the sum of \$7,300.00.

Tract 41710

No Bids

Tract 41711
(Portion – 115.0 acres)

Bidder	:	Etroa Resources, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$25,875.00
Annual Rental	:	\$12,937.50
Royalties	:	21.50% on oil and gas
	:	21.50% on other minerals
Additional Consideration	:	None

Tract 41712
(Portion – 457.0 acres)

Bidder	:	Hilcorp Energy I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$134,815.00
Annual Rental	:	\$67,407.50
Royalties	:	23.75% on oil and gas
	:	23.75% on other minerals
Additional Consideration	:	None

Tract 41713
(Portion – 161.19 acres)

Bidder	:	Brammer Engineering, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$42,715.35
Annual Rental	:	\$21,357.68
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

STATE AGENCY TRACTS

Tract 41714

No Bids

Tract 41715

No Bids

Tract 41716

Bidder	:	QEP Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$80,364.44
Annual Rental	:	\$4,545.50
Royalties	:	1/4th on oil and gas
	:	1/4th on other minerals
Additional Consideration	:	None

Tract 41717

Bidder	:	QEP Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$90,910.00
Annual Rental	:	\$4,545.50
Royalties	:	1/4th on oil and gas
	:	1/4th on other minerals
Additional Consideration	:	None

Tract 41718

No Bids

Tract 41719

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$841,071.44
Annual Rental	:	\$420,535.72
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

Tract 41720

No Bids

Tract 41721

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$9,745.29
Annual Rental	:	\$4,872.65
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

Tract 41722

Bidder	:	Kinder Oil & Gas, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$300.00
Annual Rental	:	\$150.00
Royalties	:	22.00% on oil and gas
	:	22.00% on other minerals
Additional Consideration	:	None

Tract 41723

Bidder	:	Ric Bajon & Associates
Primary Term	:	Three (3) years
Cash Payment	:	\$1,251.00
Annual Rental	:	\$625.50
Royalties	:	25.5% on oil and gas
	:	25.5% on other minerals
Additional Consideration	:	None

Tract 41723

Bidder	:	Arceneaux Land Services, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$1,021.65
Annual Rental	:	\$510.83
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 9:15 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Victor M. Vaughn". The signature is written in a cursive style with a prominent initial "V".

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, November 10, 2010 at 9:47 a.m. with the following members of the board in attendance: Mr. Thomas L. Arnold, Jr., Mr. Emile B. Cordaro, Mr. John C. "Juba" Diez, Mr. Robert D. Harper, Secretary of the Louisiana Department of Natural Resources, Mr. Thomas W. Sanders, Mr. W. Paul Segura, Jr., Mr. Darryl D. Smith and Mr. Chip Kline (sitting in for Lt. Governor Scott A. Angelle, Governor Jindal's designee to the State Mineral and Energy Board).

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

I. Geological and Engineering Staff Review

According to SONRIS there are 1782 active State Leases covering approximately 835,000 acres. The Geological and Engineering Division has reviewed 182 leases covering 154,200 acres.

II. Committee Review

1. A staff report on **State Lease 192-C**, West Bay Field, Plaquemines and St Bernard Parishes. Hilcorp Energy I, L.P. is the lessee.

The recommendation was that Hilcorp be granted until May 11, 2011 to submit an update on the activities affecting this lease.

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

The recommendation was that Swift be granted until February 8, 2011 to meet with the staff to present a status report on development activity relating to Bay De Chene field.

3. A staff report on **State Lease 199-A-1**, Bay St. Elaine Field Selection, Designated Area located in Terrebonne Parish. Burlington Resources Oil & Gas Co., LP is the lessee.

The recommendation was that within 60 days of this letter, the 2 parties (Burlington & Hilcorp) execute an assignment of the lease and have the assignment docketed for approval by the State Mineral and Energy Board.

4. A staff report on **State Lease 724**, Four Isle Dome Field, located in Terrebonne Parish. Burlington Resources Oil & Gas Co., L.P. is the lessee.

The recommendation was that within 60 days of this letter, the 2 parties (Burlington & Hilcorp) execute an assignment of the lease and have the assignment docketed for approval by the State Mineral and Energy Board.

5. A staff report on **State Lease 199-B-2**, Lake Barre Field Selection, Designated Area located in Terrebonne Parish, Louisiana. Hilcorp Energy I, LP is the lessee.

The recommendation was that the proposed 322.45 acre partial release be accepted and that SL 199-B – designated area 2 be removed from the lease review process and be placed on staff review to be evaluated on an annual basis.

6. A staff report on **State Leases 3306 and 4011**, Redfish Point Field located in Vermilion Parish. Hilcorp Energy I, LP is the lessee.

The recommendation was that Hilcorp be granted until March 9, 2011 to report on the status of the Y-7 sand test and any other development activities.

7. A staff report on **State Lease 340-H**, Cote Blanche Island Field Selection located in Iberia Parish. Swift Energy Operating, LLC is the lessee.

The recommendation was that Swift be granted until February 8, 2011 to meet with the staff to present data identifying the productive limits of SL 340-H, Cote Blanche Island field and a proposed partial release of the non-producing state lease acreage.

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

1. No Objection to MER Allowable prior to unitization, Chevron U.S.A. Inc., SL 1367 No. 0-6 Well ST 1, serial number 066966, Bay Marchand Block 2 Field, Lafourche Parish affecting State Leases 1367 and 18637.
2. No Objection to 29-E Waiver, Miagro Exploration, VUG JL&S ST UD Well No. 11, West Lake Verret Field, State Lease 346, St. Martin Parish.
3. Pursuant to the Mineral and Energy Board resolution dated March 10, 2010, the staff qualified the HA RA SUD; Lysander Webb 11H Well No. 1 in Redoak Lake Field to allow Shell Exploration & Production Inc. to make one six month shut-in payment affecting State Lease 19839 for a period beginning December 10, 2010 while the pipeline construction is being completed.

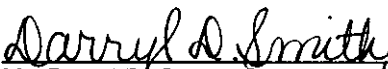
IV. Report on Force Majeure

Last Updated: 11/01/2010	
Company Name	Lease Numbers
Leases Off Production Due to Non-storm Related Force Majeure Events	
Apache	16473, 16475, 18121
IG Petroleum	A0232
Mariner Energy	8690, 12457, 13287
Stone Energy	14498, 15310, 15970, 16255, 16256, 16257
Sylvan Energy	1337

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

On motion by Mr. Segura, seconded by Mr. Sanders, the Committee moved to adjourn its November 10, 2010 meeting at 9:55 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.



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Staff Reviews

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District Code 1 New Orleans- East
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Table with 7 columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Contains multiple rows of lease data including locations like Garden Island Bay, Lake Fortuna, and Main Pass Block.

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
						CRIS I RA SUA
17236		COQUILLE BAY	RICHARD F PRICE JR ETAL	79.052	79.052	NOV. AR
17767		BRETON SOUND BLOCK 33	92 03/27/2008	197.88	197.88	NOV. 11/4/10 CCB: LEASE HB FM STATUS 8/6/10 CK 3 MOS PER MIKE B MAY. AR
17772		BAYOU BILOXI	20.692 06/06/2006	168.308	168.308	NOV. 10/26/10 JMB: TRNSMTL CORRECTION NECESSARY DUE TO SETTLEMENT: 305050, 228079 VUA; BILOXI MARSH 29.852 AC
17965		BRETON SOUND BLOCK 33	246.6 04/11/2007	158.13	158.13	NOV. 11/4/10 CCB: LEASE HB FM STATUS 8/6/10 PROD THRU 03/10 - RECK PER MIKE B MAY. AR
17979		BAYOU BILOXI	349.868 12/08/2004	21.132	21.132	NOV. AR 10/26/10 JMB: TRNSMTL CORRECTION DUE TO SETTLEMENT: 614070, 229453 CRIS I RC SUA
19051				0	110.22	NOV. PT 8/9/11
19052				0	383.12	NOV. PT 8/9/11
19053				0	119.51	NOV. PT 8/9/11
19054		BRETON SOUND BLOCK 53		160	637.35	NOV. PT 8/9/11
19064		FALSE MOUTH BAY	236061-TEX W RA SUA;SL 19064-001 09/04/2007	196.596	196.596	NOV. AR



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Get Review Date	November 10, 2010					
Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00192C		WEST BAY	VU60;SL 192 PP	6825	20600	NOV. OB RCD HLCP STATUS OF ACTIVITIES BY 10/13/10
01217		BAY DE CHENE , GOLDEN MEADOW	9950 R006 SUA;BDC UB 780-NN 99-138	1531	4041	NOV. OB RCD SWIFT SPECIFIC POD FOR NP AC BY 10/13/10.
02028		LAKE WASHINGTON	21 RC SUA;SL 2028 09/18/2007 149-E-5 07-1049	260	780.31	NOV. AR
02485		SOUTH PASS BLOCK 24	SPB 24 8800 RD SU 09/01/1998	413.34	413.34	NOV AR
03244		ST JOHN		14.61	14.61	NOV. AR
03579		SARDINE POINT	CIB H3 RA SUA;GIANELLONI-FERRO 01/22/2002 527-C 02-29	4.911	27.078	NOV. AR
06123		BAYOU BOEUF, SOUTH	R RC SUA;BOWIE LUMBER CO 08/02/2005 942-B-2	45	45	NOV. AR
07501		KINGS RIDGE	25.704 08/16/1994	264.122	264.122	NOV. AR 11/1/10 REL RQD 10/27/10 APP EXP REQ REL PER STEVE S
14284		LAKE RACCOURCI	SL 1480 11/14/2001	40.69	266.878	NOV. AR 8/25/10 RS: LEASE PARTIALLY HELD - 40.69 AC HELD BY VUB;SL 14589 PER MIKE B
14498		BAY MARCHAND BLOCK 2 OFFSHORE	VUA;	163.67	163.67	NOV. AR 10/10 FM RECOGNIZED AS OF 7/9/10
15310		BAY MARCHAND BLOCK 2 OFFSHORE	VUA;	16.43	16.43	NOV. 10/10 FM RECOGNIZED AS OF 7/9/10
15970		BAY MARCHAND BLOCK 2 OFFSHORE	VUA;	19.55	19.55	NOV. AR 10/10 FM RECOGNIZED AS OF 7/9/10
16255		BAY MARCHAND BLOCK 2 OFFSHORE	VUA;	53.33	53.33	NOV. AR 10/10 FM RECOGNIZED AS OF 7/9/10
16256		BAY MARCHAND BLOCK 2 OFFSHORE	VUA;	32	32	NOV. 10/10 FM RECOGNIZED AS OF 7/9/10
16257		BAY MARCHAND BLOCK 2 OFFSHORE	VUA;	55.71	55.71	NOV. AR 10/10 FM RECOGNIZED AS OF 7/9/10
17447		BASTIAN BAY	J RC SUA;LL&E FEE 339-J-5 97-242	2.95	2.95	NOV. SAR
18148		LAKE WASHINGTON		40	1461	NOV. 11/1/10 REL RQD 10/27/10 APP EXP PER STEVE
18233		STELLA	8750 RA SUA;MEYER	4.368	5.76	NOV. AR

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18727		MANILA VILLAGE	ETAL 02/17/2004 27-J 04-127	206	206	NOV. AR 10/25/10 SN 235188 LUW 305843 PROD 08/10
18736				0	1408.09	NOV. 10/7/10 RQD REL 9/29/10 APP EXP REQ REL PER STEVE PT 9/14/10
18736				0	1408.09	NOV. 10/7/10 RQD REL 9/29/10 APP EXP REQ REL PER STEVE PT 9/14/10
18739				0	843.57	NOV. 10/7/10 RQD REL 9/30/10 APP EXP REQ REL PER STEVE PT 9/14/10
18816		LEEVILLE	18.106 01/28/2008	14.894	14.894	NOV. AR
19025		QUEEN BESS ISLAND	1-1 RA SUA;SL 2084	45.402	45.402	NOV 8/26/10 RCD OFL PR OF 77.598, RTNG 45.402 EFF 8/20/10 = SUGGEST AR DD 6/14/10 PT 6/14/09
19490		LAKE WASHINGTON	240850-SL 19490-001 03/01/2010	11.95	218	NOV. 10/7/10 REL RQD 9/29/10 APP EXP PER STEVE DD & PT 9/12/10
19491				0	210	NOV. 10/7/10 REL RQD 9/29/10 APP EXP PER STEVE PT 9/12/10
19531				36.845	140	NOV. DD APPROVED TO 11/14/11 10/20/10 DOPMT TO STEVE FEB. PT 11/14/10
19773				0	366.64	NOV. PT 8/13/11
19774				0	318.22	NOV PT 8/13/11
19778				0	12	NOV. PT 8/13/11
20115				0	340	NOV. PT 8/12/12
20117				0	20	NOV. PT 8/12/12
20142				0	30.2	NOV. 10/19/2010 CCB:PLAN 3 RA SUA APPARENTLY MAINTAINED ACROSS RNTL DATE, GEOLOGIST WILL HAVE TO CONFIRM 10/7/10 REL RQD 9/29/10 APP EXP PER STEVE PT 9/9/12



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Table with 7 columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Contains multiple rows of lease data for various locations like BAY ST ELAINE, LAKE BARRE, and RABBIT ISLAND.



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00724		FOUR ISLE DOME , MARTIN	VU18;LL&E U18	764	2714	NOV. OB RCD BR RPT ON SALE BY 10/13/10 10/21/10 JPT: CONPHLPS DIVESTING INTEREST IN LEASE TO HLCP EFF 11/1/10 JJ: 229076, 614047 PRD & ROY 7/10 7/6/10 RCD OFL 140 AC PR, RTNG 2714 EFF 6/22/10
01337		BATEMAN LAKE , SWEET BAY LAKE	9700 RSW1B SUA;SL 1337 WAX U1 89-K-3 90-110	600	2076	NOV. 10/10 L&T RECOGNIZED FM CONDITION. CK 9/8/10 FM./L&T OB SYLVAN ENERGY AND ENVIRONMENTAL (RCD 9/17/10 SYLAN LTR)
01666		EUGENE ISLAND BLOCK 18	69.98 08/19/2009	120.05	120.05	NOV. AR 10/21/10 JPT: HBP FROM UNITS JJ: 229076, 614047 PRD & ROY 7/10
01691		HOLLYWOOD , HOUMA	Q RA SUA;E&L GRANITE & MON 05/19/2005 276-Y	36	43	NOV. AR 10/21/10 JPT: HBP FROM UNITS 10/20/09 RQD PR - PR SENT TO CORRES. UNTIL REMAINDER OF LEASE EXPS. UNABLE TO OBTAIN PR FROM OTHER WIOS 1-11-10
02395		LAPEYROUSE	L EXP RA SUA;INVINCIBLE FEE 09/18/2007 416-EEE	20.281	23.383	NOV. AR 10/21/10 JPT: HBP FROM UNITS 9/21/10 JJ: 61141, 600393 PRD 8/10 & ROY BEHIND
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	NOV. AR 10/21/10 JPT: HBP FROM UNITS 9/21/10 JJ: 234695, 614810 PRD & ROY 7/10
03306		REDFISH POINT	381.81 05/21/2009	600	1527.39	NOV. OB RCD 10/26/10 FAX HLCP 10/13/10 UPDATE ON PLANS PRESENTED AT 6/8/10 MTG (916 NP AC)
04011		REDFISH POINT	224.89 05/21/2009	400	1675.76	NOV. OB RCD 10/26/10 FAX HLCP 10/13/10 UPDATE ON PLANS PRESENTED AT 6/8/10 MTG & 413 AC PR OF 7/10 (1278 NP AC.)
10754		PERRY POINT , RIDGE, WEST	BOL MEX A RB SUA;P HULIN 04/10/2001 448-H-8 01-291	.52	.52	NOV. AR 10/21/10 JPT: HBP FROM UNIT 9/21/10 JJ: 224381, 609512 PRD & ROY 7/10
12105		LAKE PAGIE	31.511 07/23/1988	47.489	47.489	NOV. AR 10/21/10 JPT: HBP FROM UNITS 9/21/10 JJ: 220294, 044996 PRD & ROY 7/10
14108		DEER ISLAND, WEST	239.6 08/19/1996	23.4	23.4	NOV. AR 10/21/10 JPT: HBP FROM UNITS 9/21/10 JJ: 214256, 047392 PRD & ROY 7/10
14158		SHIP SHOAL BLOCK 45	207.788 12/28/1998	215.162	215.162	NOV. AR 10/21/10 JPT: HBP FROM UNIT 9/21/10 JJ: 220730, 048599 PRD & ROY 7/10
16381		LAKE SAND, EAST		868	868	NOV AR 10/12/10 OMR TO TELLUS, ACCEPT RPT & AR < RCD TELLUS POD BY 10/13/10 8 AR

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16722		DUSON	NOD A RA SUC;A ROBERTSON ET UX 03/14/2000 197-N-2 00-125	.11	.11	NOV. AR 10/21/10 JPT: HBP FROM UNIT 9/21/10 JJ: 224136, 613184 PRD & ROY 7/10
16995		INTRACOASTAL CITY	236553-SL 16995 SWD- 004 12/08/2007	160.97	160.97	NOV. AR 10/26/10 JPT: SUBSTANTIATING DATA FOR DOWNHOLE OPERATIONS 230531, 305192 VUA
17156		VERMILION BLOCK 16		160	1418	NOV. 10/21/10 JPT: HBP FROM UNIT 10/7/10 OMR -HARVEST 6 MO RPT ON DRLG #2
17157		VERMILION BLOCK 16	334.44 09/30/2008	37.59	37.59	NOV. AR 10/21/10 JPT: HBP FROM UNIT 9/21/10 JJ: 230807, 305405 PRD & ROY 7/10
17159		VERMILION BLOCK 16	179.65 09/30/2008	743.56	743.56	NOV. AR 10/21/10 JPT: HBP FROM UNIT 9/21/10 JJ: 230807, 305405 PRD & ROY 7/10
17208		INTRACOASTAL CITY	SL 16995 06/24/2004 04-20	37.532	37.532	NOV. AR 10/26/10 JPT: SUBSTANTIATING DATA FOR DOWNHOLE OPERATIONS 230531, 305192 VUA
17226		INTRACOASTAL CITY	10.95 07/10/2007	42.16	42.16	NOV. AR 10/26/10 JPT: SUBSTANTIATING DATA FOR DOWNHOLE OPERATIONS 230531, 305192 VUA
18167		BAY ST ELAINE	VU15;BSE U15	1051	1051	NOV. AR 10/21/10 JPT: HBP FROM UNIT 9/21/10 JJ: 234771, 615158 PRD & ROY 7/10
18223		BAYOU POINTE AU CHIEN	23.07 10/09/2006	8.93	8.93	NOV. AR 10/21/10 JPT: HBP FROM UNIT 9/21/10 JJ: 230806, 305489 PRD & ROY 7/10
18258		BAYOU POSTILLION	HERALD HODGES & LEE 386-Y-2 05-893	37.998	37.998	NOV. AR 10/21/10 JPT: HBP FROM UNITS 9/21/10 JJ: 234266, 614316 PRD & ROY 7/10
18295		LAKE PELTO		160	650.77	NOV. 11-3-10 OMR TO HCLP RE: RCD HLCP POD BY 10/13/10 AUG. AR
18732				0	1472.52	NOV. 10/7/10 RQD REL 9/30/10 APP EXP PER JASON PT 9/14/10
18733				0	414.78	NOV. 10/7/10 RQD REL 9/30/10 APP EXP PER JASON PT 9/14/10
19139		LAKE SAND	LSA ROB 5 RA SU 216-C-1	59.24	800	NOV. 10/27/10 RS JPT: LEASE IS ENTIRELY MAINTAINED BY LEASE PRD SL 19139#1 COMP 3/26/10 DD 10/11/10 PT 10/11/09
19477		LAKE PELTO	VU G	29.63	29.63	NOV. SUGGEST AR 10/21/10 JPT: HBP FROM UNITS 9/21/10 JJ: 52053, 532077 PRD & ROY 7/10 PT 8/8/10
19665				0	715	NOV. 10/27/10 VUA MTG AUG. PT 5/14/11



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<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>
04477		BAYOU LOUIS	TL SUE HENDRICKS STATE 04/01/1995	17	18	NOV. AR 9/21/10 JJ: 117627, 023371 PRD 6/10 7/9/10 SAM 023371 PRDG 3/10, RECK PRD 3 MOS
05664		CASPIANA , ELM GROVE	HA RA SU96;HUTCHINSON HEIRS 8H 10/10/2009 361-L-66 09-1187	41.3	45	NOV. 10/26/10 SAM: NEW TRNSMTL HA RA SUJJ 616246, 240350 W/21.47 TO 5664. GEOGRAPHICALLY IDENTICAL TO CV RA SU67, 614705.
10334		CADDO PINE ISLAND	CAPI VIV RA SU 03/01/1993	3 52	3.52	NOV. AR 9/21/10 JJ PROD THRU 6/10
12938		MILLIGAN BAYOU, NORTH	HEL RA SUG;SL 12938 02/01/1997	16.6	63.6	NOV. AR 9/21/10 JJ: 207411, 047607 PRD & ROY 7/10 10/5/06 PR HAS MAJOR TITLE PRBS. PR RQD 10/6/04
13582		SIMSBORO, WEST	HOSS RA SUJ;SL 13582 23 12/15/2005 327-B23 04-1251	247.89	247.89	NOV. AR 9/21/10 JJ: 230277, 608194 PRD 7/10 & ROY 6/10
15088		MASTERS CREEK	AUS C RA SUE;BULLOCK A 10/03/1995 1386-A-2 95-480	81.9	81.9	NOV. AR 9/21/10 JJ 217726 048061PROD THRU 07/10, ROY 5/10
15596		BURR FERRY, NORTH	AUS C RC SUB;SNYDER MIN A26 04/01/1997	20	20	NOV. AR 9/21/10 JJ 220123 048462 PROD THRU 06/10, ROY 5/10 7/9/10 SAM. 048462 PRDG 4/10 BARELY, RECK 3 MOS AUG. AR
15771		SUGRUE	AUS C RA SUF;CROSBY 34 07/01/1997	40	40	NOV. 10/10 SAM: 048673 PRDG 7/10 BARELY, NO \$ 2010, RECK 6 MOS 8AR
15928		SUGRUE	AUS C RA SUF;CROSBY 34 07/01/1997	38 09	38.09	NOV. 9/21/10 JJ & SAM: 048673 PRDG 8/10 BARELY, RECK 6 MOS 8AR
16266		SUGARTOWN	AUS C RA SUP;CROSBY 9A 07/27/1999 1422-A-14 99-385	41.011	41.011	NOV. AR 9/21/10 JJ PRD 07/20, BEHIND ON ROYALTY PYMTS
16420		ELM GROVE	233821-LCV RA SUWW;SL 16420 17-001-ALT 09/23/2006	50.394	50.394	NOV. 10/26/10 SAM NEW TRNSMTL 616266, 241175 HA RA SU77 W/ 43.659 AC TO 16420 GEOGRAPHICALLY IDENTICAL TO LCV RA SUWW 613290. 6AR
17984		PARKER LAKE	MINTER SU 10 HUNT PAUL STATE	20.58	20.58	NOV. AR 9/21/10 JJ 214064 046929 PROD THRU 06/10, ROY 7/10
18396		CASPIANA	CV RA SUG;EMW LAND CO LLC 29 02/15/1975 191-A 75-28	6.716	6.716	NOV. AR 9/21/10 JJ 214064 046929 PROD THRU 06/10, ROY 7/10
18802		DREW, SOUTH	3 01/29/2008	53.855	53.855	NOV. AR 9/21/10 JJ 232488 614589 PROD THRU 06/10, ROY

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						7/10
19011		CASPIANA	CV RA SU128;SL 19027 16 05/15/2007 191-A-175 07-438	1.38	3	NOV. 10/26/10 GJD: TRNSMTL CORRECTION NECESSITATED BY ADDITION OF WL&F AC. SAL 19027, 19181, 19182, 19779, 19780.
19027				108.015	108.015	NOV. 10/26/10 GJD: TRNSMTL CORRECTION NECESSITATED BY ADDITION OF WL&F AC. SAL 19027, 19181, 19182, 19779, 19780.
19125		RED RIVER-BULL BAYOU	HA RD SUI;JOSEPH BOLAN 34 H 06/25/2009 109-X 08-858	79.501	79.501	NOV. 9/27/10 GJD APPROVED DD TO 10/11/11, HA RD SUL (2.1AC) NOT BEING HBP, TOTAL OF SURVEY PLATS 79.501 AC PT 10/11/09
19180		CASPIANA	CV RA SU128;SL 19027 16 05/15/2007 191-A-175 07-438	.31	1	NOV. FINAL DDPMT APPROVED TO 11/8/11 PT 11/8/09
19181				2.81	8	NOV FINAL DDPMT APPROVED TO 11/8/11 10/26/10 GJD: TRNSMTL CORRECTION NECESSITATED BY ADD'N OF WL&F AC. SAL 19027, 19181, 19182, 19779, 19780. SEP. 8/25/10 RS TO SAM: SAL OMR MANAGED WLF PT 11/8/09 BAYOU PIERRE WMA 12/7/06 SAL 8 AC. NOT SL
19182				11.62	11.62	NOV. SUGGEST AR 10/27/10 DDPMT DISAPPROVED, ENTIRE LEASE HBP. 10/26/10 GJD: TRNSMTL CORRECTION NECESSITATED BY ADDITION OF WL&F AC. SAL 19027, 19181, 19182, 19779, 19780. SAL OMR MANAGED WLF PT 11/8/09 BAYOU PIERRE WMA 12/7/06 SAL 8 AC. NOT SL
19459		CASPIANA	HOSS RA SU134;MCFERREN 36 10/21/2008 191-B-217	192.08	192.08	NOV. SUGGEST AR 9/21/10 JJ 234897 614942 PROD THRU 06/10, ROY 6/10 PT 8/8/10
19460		THORN LAKE	CV RA SUE;REX YOUNG 07/31/1981 1145 81-545	11 359	11.359	NOV. AR 9/21/10 JJ 235626 614949 PRD 6/10, ROY 7/10
19753				3	3	NOV. 9/21/10 JJ LEASE HBP PER ROUTE SHEET PT 8/13/11
19758		ELM GROVE	HA RA SUS;BROUSSARD 5 04/01/2009	183.297	183.297	NOV. 10/27/10 SAM 100%HBP PER SURVEY PLAT 9/21/10 JJ: 239504 615573 PRD 7/10 PT 8/13/11
19759		ELM GROVE	HA RA SU55;JESTMA LLC 22H 04/28/2009 361-L-30 09-460	34	34	NOV. 9/21/10 JJ: 240030 615799 PRD & ROY 6/10 PT 8/13/11

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19766		THORN LAKE	HA RA SUT;BSTMA LLC 17H 03/03/2009 1145-B-9	31	31	NOV. 10/28/10 SAM:100%HBP, NO PLATS 9/21/10 JJ: 239790 615774 PRD 6/10 ROY 7/10 DD 8/13/10 PT 8/13/11
19769		RED RIVER-BULL BAYOU	261 06/17/2010	159	159	NOV. 9/21/10 JJ SN 239818, 615917 PRD & ROY 6/10 PT 8/13/11
19770				0	14	NOV. 9/21/10 JJ: PD 2010 RNTL PT 8/13/11
19787				0	29.32	NOV. 9/21/10 JJ: PD 2010 RNTL PT 8/13/11 LOGGY BAYOU WMA
19788				0	41.23	NOV. 9/21/10 PD 2010 RNTL PT 8/13/11 LOGGY BAYOU WMA
19789				0	52.68	NOV. 9/21/10 PD 2010 RNTL PT 8/13/11 LOGGY BAYOU WMA
19790				0	36.62	NOV. 8/27/10 RQD REL 8/26/10 RS SAM: APP EXP PT 8/13/11 LOGGY BAYOU WMA
19791				0	25.16	NOV. 9/21/10 PD 2010 RNTL PT 8/13/11 VACANT STATE LANDS
19792				0	.04	NOV. 9/21/10 PD 2010 RNTL PT 8/13/11 VACANT STATE LANDS
19796		WOODARDVILLE	HA RA SU58;JIMMY GAY 16 H 03/03/2009 990-D-8	28.08	28.08	NOV. 9/21/10 JJ:239728 615818 PRDG 8/10, \$7/10 PT 8/13/11 VACANT STATE LANDS
19841		LOGANSFORT	HA RA SUZ;BLACKSTONE 20-11-15H 04/22/2009 28-AA-9	46.761	150	NOV. 8/9/10 GJD TRNSMTL 615814 W 46.761AC 3/4/10 RCD UNOFL PR OF 81.535, RTNG 68.465 DD TO 12/10/10 PT 12/10/11 10/8/11
20038		BRACKY BRANCH	HA RA SUV;CRESWOOD LAND 4 H 03/17/2009 917-L-5	22.66	49	NOV. 10/25/10 GJD CORRECTION TRNSMTL DUE TO AMENDED SURVEY PLAT: 615830, 239770 HA RA SUA W/ 17.542 AC TO 20038.
20113				0	26	NOV. 11/1/10 REL RQD 8/26/10 APP EXP PER SAM PT 8/12/12
20140				0	26.67	NOV. 10/27/10 PLAT RQD PETROHAWK, 109-X-61 616309 8/26/10 RS LEASE NOT EXP PER SAM PT 8/12/12 TAX ADJUDICATED LAND
20141				0	15.65	NOV. 9/21/10JJ:2010 RNTL PD PT 8/12/12 TAX ADJUDICATED LAND
20358				22.61	22	NOV. 10/1/10:GJD NEW TRNSMTL WX VUA;PITTSBRANE STROM 050566, 197150 W/ 22.61 AC TO 20358. PRO BEGAN 8/10.SEP. PT 6/9/13



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: November 12, 2010 9:37 AM

District Code		3S	Lake Charles- South			
Get Review Date		November 10, 2010				
Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00344		GRAND LAKE	GL 9800 RA SU 07/01/1988	498.06	498.06	NOV. AR 10/15/10 KAM: HBP = AR
08702		RIGHTHAND CREEK	1 09/04/1986	19	19	NOV. AR 10/15/10 KAM: HBP = AR
13199		STARKS, WEST	9.288 10/21/1997	11.147	11.862	NOV. AR 10/15/10 KAM: HBP = AR
13292		FRISCO	.49 02/25/1991	2.17	2.17	NOV. AR 10/15/10 KAM: HBP = AR
13895		LAKE ARTHUR, SOUTH	34.688 02/18/1992	4.312	4.312	NOV. AR 10/15/10 KAM: HBP = AR
14004		INDIAN VILLAGE, NORTH	NIVG 10100 CF RA SU; 11/01/1996	10.28	10.28	NOV. AR 10/15/10 KAM: HBP = AR
16506		MOSS LAKE, EAST	235.22 11/08/2001	9.7	9.7	NOV. AR 10/15/10 KAM: HBP = AR
16679		BAYOU ROGERS	11.569 05/10/2002	11.081	11.081	NOV. 11/1/10 REL RQD 10/15/10 KAM: LAST PRD 4/10 APP EXP 7/20/10 KAM:SL 16679: ERRATIC PRD. SN 225051. CK 3 MOS. 4/13/10 KAM: ZERO PRD 2 MOS, CK 3 MOS 5AR
16877		CHENEYVILLE, WEST	AUS C RA SUM;BOOK 14 03/31/1998 1415-A-1 98-210	46.79	46.79	NOV. AR 10/15/10 KAM: HBP = AR
16878		CHENEYVILLE, WEST	AUS C RA SUM;BOOK 14 03/31/1998 1415-A-1 98-210	47.9	47.9	NOV. AR 10/15/10 KAM: HBP = AR
18284		WEST CAMERON BLOCK 21	SL 17774 04/13/2005	11.948	67.8	NOV. SUGGEST AR 10/6/10 RCD UNOFL PR OF 55.852, RTNG 11.948 DD 10/13/10 PT 10/13/09
18287		WEST CAMERON BLOCK 21		160	683.82	NOV. SUGGEST AR UPON RCT OF PR 10/15/10 OMR: ACCEPT 429.47 AC PR < RCD 10/8/10 HUNT LARRY GUZICK: TIME STUCTURE MAP, SEISMIC LINE, & PROPOSED 429.47 AC, RTNG 254.35 AC.
18292		WEST CAMERON BLOCK 21	SL 17774 04/13/2005	104.209	130.06	NOV. 10/15/10 KAM: HBP = SUGGEST AR 10/6/10 RCD UNOFL PR OF 25.851, RTNG 104.209 DD 10/13/10 PT 10/13/09
18346		DEEP LAKE	SL 2038 06/14/2006	200	200	NOV. AR 11/1/10 REL RQD 10/15/10 KAM: APP EXP. FORMERLY HBP 230778, 305651. LAST PRD 2/1/10.
18356		WEST CAMERON BLOCK 21	SL 17774 04/13/2005	46.666	110.85	NOV. 10/15/10 KAM: HBP = AR SUGGEST AR 10/6/10 RCD UNOFL PR OF 64.184, RTNG 46.666 DD 10/13/10 PT 10/13/09

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: November 12, 2010 9:37 AM

District Code 3S Lake Charles- South
 Get Review Date November 10, 2010

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
18803		REDDELL	52 74 10/08/2009	7.26	7.26	NOV. AR 10/15/10 KAM: HBP = AR
19512		JUDGE DIGBY	21100 TUSC RA SUL;BOMER BLANKS 06/02/1998 1046-D 98-335	103.539	247.358	NOV. 10/15/10 KAM: HBP = AR DD APPROVED TO 10/10/11 PT 10/10/2010 TAX ADJUDICATED LAND
19772				0	10	NOV RNTL PD 2010 PT 8/13/11
19784				0	27.44	NOV. RNTL PD 2010 PT 8/13/11 TAX ADJUDICATED
19785				0	10	NOV. RNTL PD 2010 PT 8/13/11 TAX ADJUDICATED
20116				0	122	NOV. RNTL PD 2010 PT 8/12/12
20139				0	744	NOV RNTL PD 2010 PT 8/12/12 ROCKEFELLER WMA
20349				0	168.8	NOV. 10/19/10 PROPOSED VUA MTG PT 5/12/13 ROCKEFELLER WL REFUGE
20350				0	579.2	NOV. 10/19/10 PROPOSED VUA MTG PT 5/12/13 ROCKEFELLER WL REFUGE
182				47,120.208	154,206.436	

BOBBY JINDAL
GOVERNOR



ROBERT D. HARPER
SECRETARY

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

NOMINATION AND TRACT COMMITTEE REPORT

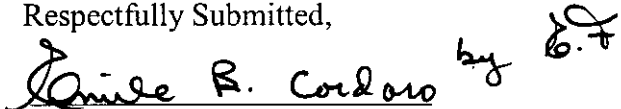
The Nomination and Tract Committee, convened at **9:55 a.m.** on Wednesday, **November 10, 2010** with the following members of the Board in attendance:

Mr. Thomas L. Arnold, Jr. Mr. Emile B. Cordaro Mr. John C. Diez
Mr. Robert D. Harper Mr. Thomas W. Sanders Mr. W. Paul Segura, Jr.
Mr. Darryl David Smith Mr. Chip Kline (Sitting in for
Lt. Governor Scott A. Angelle,
Governor Jindal's designee to the
State Mineral and Energy Board)

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the January 12, 2011 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Arnold** duly seconded by **Mr. Sanders**, 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, on motion of **Mr. Sanders**, seconded by **Mr. Diez**, voted to adjourn at **9:58 a.m.**

Respectfully Submitted,


Emile B. Cordaro
Chairman
Nomination and Tract Committee

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

NOMINATION AND TRACT COMMITTEE

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

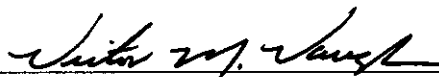
WHEREAS, Mr. Emile Fontenot presented to the State Mineral and Energy Board 58 tracts that had been nominated for the January 12, 2011 Mineral Lease Sale, and that same are to be advertised pending staff review; now therefore

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 10th day of November 2010, 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, November 10, 2010, 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:

Thomas L. Arnold, Jr.	Emile B. Cordaro	John C. "Juba" Diez
Robert D. Harper	Thomas W. Sanders	W. Paul Segura, Jr.
Darryl D. Smith	Chip Kline (sitting in for Lt. Governor Scott A. Angelle,	
Governor Jindal's designee to the State Mineral and Energy Board)		

Mr. Arnold convened the Committee at 9:58 a.m.

The first matter considered by the Committee was a recoupment requested by Manti Exploration Operating.

Upon recommendation of the staff and upon motion of Mr. Sanders, seconded by Mr. Smith, the Committee voted unanimously to approve the recoupment request in the amount of \$30,146.27.

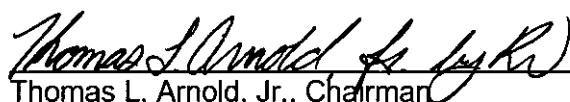
The second matter considered by the Committee was an additional request on a recoupment requested by Devon Energy Corporation.

Upon recommendation of the staff and upon motion of Mr. Sanders, seconded by Mr. Segura, the Committee voted unanimously to approve the check repayment request in the amount of \$70,470.73.

The third matter considered by the Committee was the election of the November 2010 Texaco gas royalty to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

No action required.

On Motion of Mr. Sanders, seconded by Mr. Segura, the Board voted unanimously to adjourn the Audit Committee at 10:01 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, Manti Exploration Operating has made a letter application for an adjustment of \$30,416.27 for the Drakes Bay Field, State Leases 192, 19250, 19550, A0220; and

WHEREAS, this amount was based on Manti Exploration Operating submitting an overpayment of oil royalties based on incorrect volumes and values for the period of June 2010 in the Drakes Bay Field

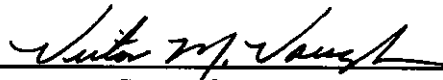
WHEREAS, the Mineral Income Division has verified that an overpayment in the amount of \$30,416.27 was made and that the applicant is entitled to a credit adjustment; and

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 Manti Exploration Operating to recoup the \$30,416.27 overpayment.

NOW, BE IT THEREFORE RESOLVED, that the Board does authorize and direct the Mineral Income Director to effectuate the credit adjustment of \$30,416.27 to Manti Exploration Operating 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 10th day of November, 2010, 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.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

AUDIT COMMITTEE

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

WHEREAS, Devon Energy Corporation has made a letter application for an adjustment of \$70,470.73 for the Main Pass Block 69 Field, State Leases 1353, 1354, 1357, 1359, 3508; and

WHEREAS, this amount was based on Devon Energy Corporation submitting an overpayment of oil royalties based on incorrect volumes and values for the period of April 2010 in the Main Pass Block 69 Field; and

WHEREAS, the Mineral Income Division has verified that an overpayment in the amount of \$70,470.73 was made and that the applicant has now requested repayment in the form of a check because it sold most of its properties in January 2010 and now pays the state a very small amount in royalties each month.

WHEREAS, the State Mineral and Energy Board after reviewing the work of the Mineral Income Division, agrees that the applicant is entitled repayment, does recommend that the State allow Devon Energy Corporation to receive a check in the amount of the \$70,470.73 for the overpayment; and

NOW, BE IT THEREFORE RESOLVED, that the Board does authorize and direct the Mineral Income Director to issue a check in the amount of \$70,470.73 to Devon Energy Corporation on a one-time or lump sum basis or on such terms deemed necessary by the Director, which are legally permissible, and without prejudice to any other rights of the state.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 10th day of November, 2010, 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.



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 November 10, 2010, 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:

Secretary Robert D. Harper
Mr. Emile B. Cordaro
Mr. Darryl David Smith
Mr. Chip Kline (*sitting in for
Lt. Governor Scott A. Angelle,
Governor Jindal's designee to the
State Mineral and Energy Board*)

Mr. Thomas W. Sanders
Mr. Thomas L. Arnold, Jr.
Mr. W. Paul Segura, Jr.
Mr. John C. "Juba" Diez

The Legal and Title Controversy Committee was called to order by Mr. Sanders at 10:05 a.m.

The first matter considered by the Committee was an appearance by Stephen Baker on behalf of BH Petroleum, Inc., for the waiver of all or a portion of the liquidated damage assessments levied on the late partial releases of the following state leases:

- (a) State Lease No. 19765 in the amount of \$21,800.00, Bossier, Caddo, and Red River Parishes, Louisiana; and
- (b) State Lease No. 19769 in the amount of \$21,800.00, Bossier, Caddo, and Red River Parishes, Louisiana.

Upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to recommend that the Louisiana State Mineral and Energy Board grant a complete waiver to BH Petroleum, Inc. for the liquidated damage assessments levied on the late partial releases of State Lease Nos. 19765 and 19769. No comments were made by the public.

The second matter considered by the Committee was a request by Petrohawk Properties, L.P. to suspend and escrow at interest certain royalties attributable to production from its units encompassing the Red River in northwest Louisiana.

Upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the Louisiana State Mineral and Energy Board grant Petrohawk Properties, LP the authority to suspend and escrow at interest certain royalties attributable to production from its units encompassing the Red River in northwest Louisiana. Said royalty pertaining to disputed acreage shall be placed in an account earning the highest possible interest rate with a bank in good financial standing and insured by the Federal Deposit Insurance Corporation (FDIC) and approved by the State Cash Management Review Board, pending a resolution of the title issue, providing that the acreage said to be in dispute agrees with that set out according to a study of same overseen by the Office of State Lands. Furthermore, Petrohawk Properties, LP shall supply the Office of Mineral Resources with verification of said account and provide copies of any deposits, withdrawals, monthly account statements showing the balance in said account, and a copy of SR reports filed monthly showing production. No comments from the public were made.

The third matter considered by the Committee was an appearance by William Strain on behalf of Chesapeake Louisiana, L.P. for an Operating Agreement on acreage of former State Lease No. 18243 in the HA RA SU 67 Unit, Elmgrove Field, Caddo and Bossier Parishes.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to approve entering into an Operating Agreement with Chesapeake Louisiana, L.P., on the terms agreed upon by the State and Chesapeake Louisiana, L.P., in principal, subject to the drafting and execution of an appropriate agreement, and its due advertisement and placement on the Docket for final approval. No comments from the public were made.

The following matters, being the fourth through the sixth matters, were addressed by the State Mineral and Energy Board together:

A request for final approval of a Lease Amendment presented by Century Exploration New Orleans, Inc., et al, whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 15683, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 10-43;

A request for final approval of a Lease Amendment presented by Century Exploration New Orleans, Inc., et al, whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 3770, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 10-44; and

A request for final approval of a Lease Amendment presented by Century Exploration New Orleans, Inc., et al, whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease Nos. 17674, 17675 and 17942, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 10-45.

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 Amendments presented by Century Exploration New Orleans, Inc., et al, on the docket as Item Nos. 10-43, 10-44, and 10-45. No comments from the public were made.

Upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee went into Executive Session at 10:18 a.m.

The Legal and Title Controversy Committee returned to open session at 10:35 a.m.

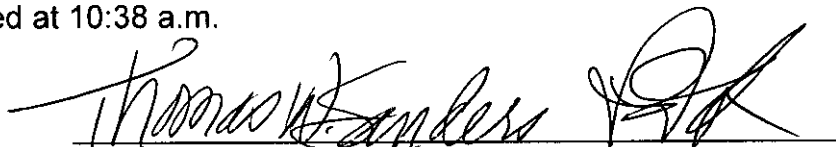
The seventh matter considered by the Committee was a discussion in executive session of the KK Westervelt matter as it pertains to Lake Hackberry, Terrebonne Parish, Louisiana.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to approve entering into a compromise agreement, on the terms discussed in executive session, in principal, subject to the drafting and execution of an appropriate agreement by the Attorney General's office, and its due advertisement and placement on the Docket for final approval. No comments from the public were made.

The eighth matter considered by the Committee was a discussion in executive session of the TriDimension bankruptcy case in the Northern District of Texas.

No action was required by the State Mineral and Energy Board in regard to this matter.

On motion of Mr. Segura, seconded by Mr. Arnold, the Legal and Title Controversy Committee meeting adjourned at 10:38 a.m.



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. Cordaro, the following resolution was offered and unanimously adopted:

WHEREAS, an appearance was made by Stephen Baker on behalf of BH Petroleum, Inc., for the waiver of all or a portion of the liquidated damage assessments levied on the late partial releases of the following state leases:

- (a) State Lease No. 19765 in the amount of \$21,800.00, Bossier, Caddo, and Red River Parishes, Louisiana; and
- (b) State Lease No. 19769 in the amount of \$21,800.00, Bossier, Caddo, and Red River Parishes, Louisiana;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant a complete waiver to BH Petroleum, Inc. for the liquidated damage assessments levied on the late partial releases of State Lease Nos. 19765 and 19769.

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 10th day of November, 2010, 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:

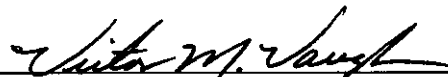
WHEREAS, a request was made by Petrohawk Properties, L.P. to suspend and escrow at interest certain royalties attributable to production from its units encompassing the Red River in northwest Louisiana;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant Petrohawk Properties, LP the authority to suspend and escrow at interest certain royalties attributable to production from its units encompassing the Red River in northwest Louisiana. Said royalty pertaining to disputed acreage shall be placed in an account earning the highest possible interest rate with a bank in good financial standing and insured by the Federal Deposit Insurance Corporation (FDIC) and approved by the State Cash Management Review Board, pending a resolution of the title issue, providing that the acreage said to be in dispute agrees with that set out according to a study of same overseen by the Office of State Lands. Furthermore, Petrohawk Properties, LP shall supply the Office of Mineral Resources with verification of said account and provide copies of any deposits, withdrawals, monthly account statements showing the balance in said account, and a copy of SR reports filed monthly showing production.

CERTIFICATE

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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, an appearance by William Strain was made on behalf of Chesapeake Louisiana, L.P. for an Operating Agreement on acreage of former State Lease No. 18243 in the HA RA SU 67 Unit, Elmgrove Field, Caddo and Bossier Parishes;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board approve entering into an Operating Agreement with Chesapeake Louisiana, L.P., on the terms agreed upon by the State and Chesapeake Louisiana, L.P., in principal, subject to the drafting and execution of an appropriate agreement, and its due advertisement and placement on the Docket for final approval.

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 10th day of November, 2010, 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 for final approval of a Lease Amendment presented by Century Exploration New Orleans, Inc., et al, whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 15683, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 10-43;

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 a Lease Amendment presented by Century Exploration New Orleans, Inc., et al, on the docket as Item No. 10-43.

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 10th day of November, 2010, 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:

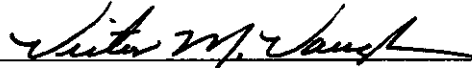
WHEREAS, a request was made for final approval of a Lease Amendment presented by Century Exploration New Orleans, Inc., et al, whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 3770, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 10-44;

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 a Lease Amendment presented by Century Exploration New Orleans, Inc., et al, on the docket as Item No. 10-44.

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 10th day of November, 2010, 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 for final approval of a Lease Amendment presented by Century Exploration New Orleans, Inc., et al, whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease Nos. 17674, 17675 and 17942, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 10-45;

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 a Lease Amendment presented by Century Exploration New Orleans, Inc., et al, on the docket as Item No. 10-45.

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 10th day of November, 2010, 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:

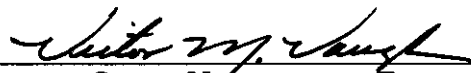
WHEREAS, a discussion in executive session was held in regard to the KK Westervelt matter as it pertains to Lake Hackberry, Terrebonne Parish, Louisiana;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board approve entering into a compromise agreement, on the terms discussed in executive session, in principal, subject to the drafting and execution of an appropriate agreement by the Attorney General's office, and its due advertisement and placement on the Docket for final approval.

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 10th day of November, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

BOBBY JINDAL
GOVERNOR



ROBERT D. HARPER
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 10:38 a.m. on Wednesday November 10, 2010. Board Members present were Mr. Robert D. Harper, 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. and Mr. Chip Kline (sitting in for Lt. Governor Scott A. Angelle, Governor Jindal's designee to the State Mineral and Energy Board)

The Committee made the following recommendations:

Approve State Agency Lease A on page 1;

Approve all Assignments on pages 2 through 8;

Approve the following items upon recommendation of the Legal and Title Controversy Committee: Docket Item Nos. 10-43, 10-44 and 10-45 on page 9.

Approve the following items: Docket Item Nos. 10-46 and 10-47 on page 10.

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

There being no further business to come before the committee, upon motion of Mr. Sanders, and seconded by Mr. Smith, the committee voted unanimously to adjourn the meeting at 10:40 a.m.

Respectfully submitted,

A handwritten signature in black ink that reads "John C. 'Juba' Diez".

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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the November 10, 2010 Meeting be approved, said instrument being An Oil, Gas and Mineral Lease from the Cameron Parish School Board, dated August 13, 2010, awarded to Wainwright & Boyer Land Service LLC, covering lands located in a portion of Section 16, Township 14 South, Range 5 West, Cameron Parish, Louisiana, containing 100 acres more or less, with further contractual obligations being more enumerated in the instrument.

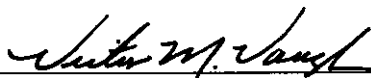
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title 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 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 1 from the November 10, 2010 Meeting be approved, said instrument being an Assignment from Goodrich Oil Company to Hilcorp Energy I, L.P., an undivided 1.75838% of 8/8ths interest in and to State Lease Nos 3258, 3599 and 14703, Lafourche 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 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the November 10, 2010 Meeting be approved, said instrument being a Change of Name whereby Araxas Exploration, Inc. is changing its name to XPLOR Energy Operating Company, affecting State Lease No. 14284, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the November 10, 2010, Meeting be approved, said instrument being a Correction of Resolution No. 12 from the August 11, 2010 Meeting, being an Assignment from EnergyQuest II, LLC to Texas Petroleum Investment Company, whereas State Lease No. 18622 was omitted from said resolution and is hereby being added, affecting State Lease Nos. 1230, 1237, 1997, 1998, 1999, 2000, 2001, 2326, 4409, 4574, 15958, 16666, 16667, 16710, 16849, 16850, 16851, 17340, 17620 and 18622, Plaquemines 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 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the November 10, 2010 Meeting be approved, said instrument being an Assignment from Clayton Williams Energy, Inc., an undivided interest to the following in the proportions set out below:

CL&F Resources LP	.33333333 of 8/8ths
Petrogulf Corporation	.33333333 of 8/8ths
Wadi Petroleum, Inc.	12000000 of 8/8ths
South Bay Corporation of Corpus Christi	.00750000 of 8/8ths
David R. Wood and Becky Sue Martin Wood	.00250000 of 8/8ths

in and to State Lease Nos. 19720 and 19924, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

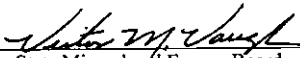
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the November 10, 2010 Meeting be approved, said instrument being an Assignment from Chesapeake Louisiana, L.P. to EXCO Operating Company, LP, an undivided 50% of 8/8ths interest in and to State Lease Nos. 19011, 19180 and 19767, DeSoto and Red River Parishes, 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 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the November 10, 2010 Meeting be approved, said instrument being an Assignment from Summit Energy Company, L.L.C. to Aurora Exploration L.L.C., a 6 250% of 100% interest in and to State Lease Nos 19799 and 19800, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument

Aurora Exploration 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 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 7 from the November 10, 2010 Meeting be approved, said instrument being an Assignment from Cohort Energy Company to Belco Energy I, L.P., an undivided 40% of 100% interest in and to State Lease No. 6931, Bossier and Caddo Parishes, Louisiana, with further particulars being stipulated in the instrument.

Kerr-McGee Oil & Gas Onshore LP is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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


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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010, 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

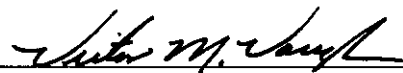
LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 8 from the November 10, 2010, Meeting be approved, said instrument being a Correction of Resolution No. 9 from the May 8, 2002 Docket, being a Merger whereby Belco Energy I, L.P. and BOG Wyoming LLC is merging with and into Westport Oil and Gas Company, Inc., under the name of Westport Oil and Gas Company, Inc., whereas State Lease No. 6931 was omitted from said resolution and is hereby being added, affecting State Lease Nos. 6931, 10965, 15346, 15350, 15570, 16034, 16035, 16036, 16305, 16418, 16420, 16530, 16531 and 17161, Avoyelles, Bossier, Caddo, St. Landry and Webster Parishes, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010, 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

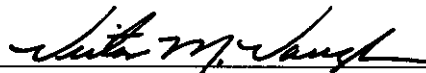
LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 9 from the November 10, 2010, Meeting be approved, said instrument being a Correction of Resolution No. 13 from the December 10, 2008 Meeting, being a Merger whereby Westport Oil and Gas Company, L.P. is merging with and into Kerr-McGee Oil & Gas Onshore LP, under the name of Kerr-McGee Oil & Gas Onshore LP, whereas State Lease No. 6931 was omitted from said resolution and is hereby being added, affecting State Lease Nos. 5749, 6931, 10965, 16034, 16035, 16036, 16305, 16420, 16530, 16531 and 17161, Bossier, Caddo, Terrebonne and Webster Parishes, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10 from the November 10, 2010 Meeting be approved, said instrument being an Assignment from Chesapeake Louisiana, L.P., by Chesapeake Operating, Inc., its General Partner to Indigo Minerals LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 16878 and 17806, Evangeline Parish, Louisiana, INsofar AND ONLY INsofar AS to the depths from the surface of the earth to the stratigraphic equivalent of the depth of 18,581 as seen in the electric log for the CARRUTH #3-1, pka TRUSTLAND well, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11 from the November 10, 2010 Meeting be approved, said instrument being an Assignment from Chesapeake Louisiana, L.P., by Chesapeake Operating, Inc., its General Partner and Chesapeake Investments to Indigo Minerals LLC, of all of Assignor's right, title and interest in and to State Lease Nos 14999, 15000, 15088, 16877 and 16878, Rapides Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to the depths from the surface of the earth to the stratigraphic equivalent of the depth of 18,581' as seen in the electric log for the CARRUTH #3-1, pka TRUSTLAND well, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

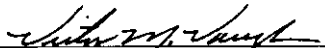
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12 from the November 10, 2010 Meeting be approved, said instrument being an Assignment from Chesapeake Louisiana, L.P., by Chesapeake Operating, Inc., its General Partner to Indigo Minerals LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 17064, 17748, 17749 and 17750, Vernon Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to the depths from the surface of the earth to the stratigraphic equivalent of the depth of 18,581' as seen in the electric log for the CARRUTH #3-1, pka TRUSTLAND well, with further particulars being stipulated in the instrument

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

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

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

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

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

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

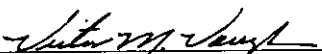
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13 from the November 10, 2010 Meeting approved, said instrument being an Assignment from Aspen Exploration, Inc. to Hilcorp Energy I, L.P., of all of Assignor's right title and interest in and to State Lease Nos. 15631 and 15744, Jefferson and Plaquemines Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

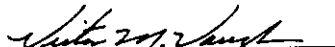
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 14 from the November 10, 2010 Meeting be approved, said instrument being an Assignment from Nippon Oil Exploration U.S.A. Limited to Black Elk Energy Offshore Operations, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 12457, 13287 and 15042, Plaquemines Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** State Lease No. 12457 covers and affects 172.32 acres from the surface to base of "O" Sand Lobe D Formation (9,443'), **INSOFAR AND ONLY INSOFAR AS** State Lease No. 13287 covers and affects 92.35 acres in O Sand Reservoir A from surface to base of O Sand at 9,443' MD and 54.56 acres outside of the unit from the surface to the base of O Sand at 9,443', **AND INSOFAR AND ONLY INSOFAR AS** State Lease No. 15042 covers and affects 217.65 acres lying beneath the O Sand from base of O Sand Reservoir A at 9,443' to 99,999' MD **AND** 217.65 acres in O Sand Reservoir A from surface to base of O Sand at 9,443' MD, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 15 from the November 10, 2010 Meeting be approved, said instrument being an Assignment from Chesapeake Operating, Inc. to Indigo Minerals LLC, of all of Assignor's right, title and interest in and to State Lease No. 15421, Pointe Coupee Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to the depths from the surface of the earth to the stratigraphic equivalent of the depth of 21,200' as seen in the electric log for the SL 15421 # 1 well, (Shallow Rights), **LESS AND EXCEPT** the Austin Chalk Zone within the 17900 TUSC RB SUA, 19000 RB SUA and the AUS C RA SUC, and as the said zone is located only within the surface boundaries of the AUS C RA SUC, with further particulars being stipulated in the instrument.

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

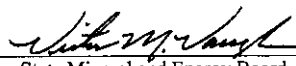
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 16 from the November 10, 2010 Meeting be approved, said instrument being an Assignment from Chesapeake Louisiana, L.P. to Indigo Minerals LLC, of all of Assignor's right, title and interest in and to Operating Agreement "A0305", Jackson Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to the depths from the surface of the earth to the stratigraphic equivalent of the depth of 15,320' or otherwise defined as the deepest depth drilled in the LCV RA SU 178; Davis Bros 1 No 1 well, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the November 10, 2010 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 Agency Lease Nos. 20166, 20167 and 20168, DeSoto 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;

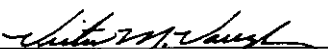
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 10th day of November, 2010, 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. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the November 10, 2010 Meeting be approved, said instrument being an Assignment from Chesapeake Louisiana, L.P. to PXP Louisiana L.L.C., an undivided 20% of Assignor's right, title and interest in and to State Agency Lease No. 19779, DeSoto Parish, Louisiana, **RESERVING AND EXCEPTING** all intervals, formations, strata and depths between the surface of the Earth down to the subsurface depth which is the stratigraphic equivalent of the base of the Cotton Valley Formation top of the Louark Group defined as correlative to depth of 10,055' on the electrical log of the Chesapeake-SRLT 29 No. 1 well located in Section 29, Township 16 North, Range 15 West, 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 10th day of November, 2010, 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

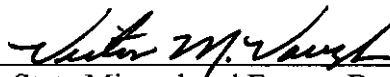
On motion of Mr. Sanders, seconded by Mr. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10-43 from the November 10, 2010, Meeting be approved, said instrument being a Lease Amendment presented by Century Exploration New Orleans, Inc., et al, whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 15683, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010 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

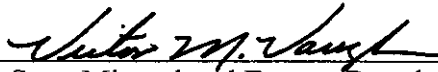
On motion of Mr. Sanders, seconded by Mr. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10-44 from the November 10, 2010, Meeting be approved, said instrument being a Lease Amendment presented by Century Exploration New Orleans, Inc., et al, whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 3770, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010 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

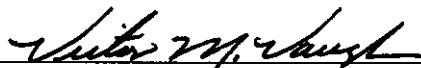
On motion of Mr. Sanders, seconded by Mr. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10-45 from the November 10, 2010, Meeting be approved, said instrument being a Lease Amendment presented by Century Exploration New Orleans, Inc., et al, whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease Nos. 17674, 17675 and 17942, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010 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

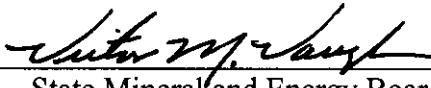
On motion of Mr. Sanders, seconded by Mr. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10-46 from the November 10, 2010, Meeting be approved, said instrument being a Unitization Agreement presented by Swift Energy Operating, LLC, to create a 170.565 acre unit, identified as the “**LW 9,600’ SU, Secondary Recovery and Injection Sand Unit**”, with 37.477 acres being attributable to State Lease No. 212, 133.083 acres being attributable to State Lease No. 17990 and 38.929 acres being attributable to State Lease No. 18907, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2010 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

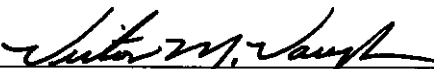
On motion of Mr. Sanders, seconded by Mr. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10-47 from the November 10, 2010, Meeting be approved, said instrument being a Unitization Agreement presented by Covington Exploration Company, LLC, to create a 386.55 acre unit, identified as the “**Lake De Cade VUA**”, with 17.67 acres being attributable to State Lease No. 20022, 129.96 acres being attributable to State Lease No. 20023, 73.26 acres being attributable to State Lease No. 20024, 23.19 acres being attributable to State Lease No. 20207, 6.66 acres being attributable to State Lease No. 20208 and the remaining acreage being attributable to private ownership, 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 10th day of November, 2010 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