

MINUTES

STATE MINERAL AND ENERGY BOARD

LEASE SALE AND BOARD MEETING

January 12, 2022

John Bel Edwards
GOVERNOR



Thomas F. Harris
SECRETARY
Jamie S. Manuel
Assistant Secretary

State of Louisiana

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF MINERAL RESOURCES

CERTIFICATION OF INABILITY TO MEET IN PERSON DUE TO COVID-19 PUBLIC HEALTH EMERGENCY FOR STATE MINERAL AND ENERGY BOARD

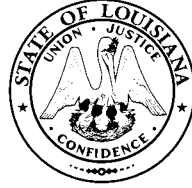
In accordance with La. Acts 2020, No. 302, this notice shall serve as a certification of the Louisiana State Mineral and Energy Board's ("Board") inability to otherwise operate in accordance with the Louisiana Open Meetings Law as a result of the COVID-19 public health emergency. The Board will provide for attendance and quorum at its essential government meeting on January 12, 2022, via video conference. Pursuant to La. Acts 2020, No. 302, the Board must meet because:

- 1) Matters that, if they are delayed, will cause curtailment of vital public services or severe economic dislocation and hardship. Because the Board must administer the state's proprietary interest in minerals by granting leases on state owned lands, has full supervision of all mineral leases granted by the state, and has general authority to take any action for the protection of the interests of the state under Louisiana Revised Statute 30:121 *et seq.*, its continued function during this pandemic is essential and, failing timely meeting, would result in the curtailment of vital public services or severe economic dislocation and hardship.
- 2) Matters that are critical to continuation of the business of the public body and that are not able to be postponed to a meeting held in accordance with the other provisions of this Chapter due to a legal requirement or other deadline that cannot be postponed or delayed by the public body. The Board's operations must follow statutorily-mandated deadlines. It is impossible to postpone or delay the matters of the Board.

Considering the foregoing, and in accordance with La. Acts 2020, No. 302, the Board's meeting on Wednesday, January 12, 2022, at 9:15 a.m. will be held via video conference and in a manner that allows for observation and input by members of the public, as set forth in the Notice posted on January 7, 2022.


JAMIE S. MANUEL, SECRETARY
State Mineral and Energy Board

JOHN BEL EDWARDS
GOVERNOR



THOMAS F. HARRIS
SECRETARY

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

Opening of Bids
January 12, 2022

A public meeting for the purpose of opening sealed bids was held on Wednesday, January 12, 2022, beginning at 9:15 a.m. via Zoom.

Byron Miller presided over the meeting. He then read the letter of notification certifying the legal sufficiency of the advertisement of Tract Nos. 45498 through 45503 which was published for lease by the Board at today's sale.

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

Mr. Miller 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. Miller:

Tract 45498

(Portion: 109.857 acres)

Bidder	:	EXPERT OIL & GAS L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$16,478.55
Annual Rental	:	\$8,239.28
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 45501

(Entire: 17 acres)

Bidder	:	PRIDE OIL & GAS PROPERTIES, INC.
Primary Term	:	Three (3) years
Cash Payment	:	\$6,137.00
Annual Rental	:	\$3,068.50
Royalties	:	20.5% on oil and gas
	:	20.5% on other minerals
Additional Consideration	:	None

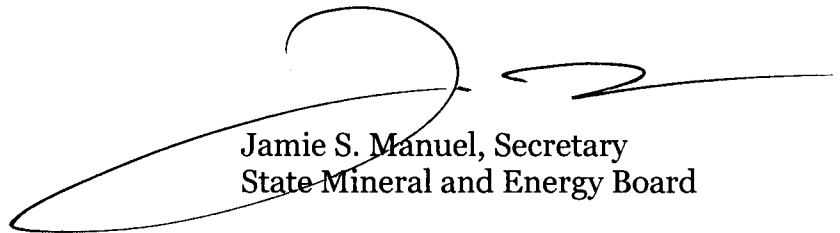
Tract 45502
(Portion: 49.74 acres)

Bidder	:	HILCORP ENERGY I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$17,409.00
Annual Rental	:	\$8,704.50
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 Opening of the Bids Meeting was concluded at 9:21 a.m.

Respectfully Submitted,



Jamie S. Manuel, Secretary
State Mineral and Energy Board

JOHN BEL EDWARDS
GOVERNOR



THOMAS F. HARRIS
SECRETARY

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

REGULAR MEETING
January 12, 2022

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, January 12, 2022**, beginning at 9:30 a.m. via Zoom.

I. CALL TO ORDER

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

II. ROLL CALL

He then requested Mr. Jamie Manuel, Assistant Secretary of the Office of Mineral Resources, call the roll for the purpose of establishing a quorum.

W. Paul Segura, Jr., Chairman
Carol R. LeBlanc, Vice-Chair
Thomas F. Harris, DNR Secretary
Harry J. Vorhoff, Governor John Bel Edwards Designee
J. Todd Hollenshead
Robert D. Watkins
Thomas L. Arnold, Jr.
Rochelle A. Michaud-Dugas
Harvey "Ned" White
Darryl D. Smith

The following members of the Board were recorded as absent:

Willie J. Young, Sr.

Mr. Manuel announced that a quorum of ten (10) members was established.

III. PLEDGE OF ALLEGIANCE

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

IV. APPROVAL OF THE DECEMBER 8, 2021 MINUTES

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

A motion was made by Ms. LeBlanc to adopt the December 8, 2021 Minutes as submitted and to waive reading of same. Her motion was seconded by Mr. Watkins and unanimously adopted by the Board. (No public comment was made at this time.)

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

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

V. STAFF REPORTS

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

**a) LEASE REVIEW REPORT
JANUARY 12, 2022**

I. GEOLOGICAL AND ENGINEERING STAFF REVIEW

According to the SONRIS database, there are 1,047 active State Leases containing approximately 453,728 acres. Since the last Lease Review Report, the Geological and Engineering Division reviewed 96 leases covering approximately 21,064 acres for lease maintenance.

II. BOARD REVIEW

1. There were no State Lease items discussed.

III. FORCE MAJEURE

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

b) NOMINATION AND TRACT REPORT
January 12, 2022
(Resolution Nos. 22-01-001)

The Board heard the report of Mr. Greg Roberts on Wednesday January 12, 2022 relative to nominations received in the Office of Mineral Resources for the January 12, 2022 Mineral Lease Sale and other matters.

Based upon Staff's recommendation, and on motion of **Mr. Arnold**, duly seconded by **Mr. Hollenshead**, the Board granted authority to Staff to advertise all such tracts that have been received by the Staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report. **(Resolution No. 22-01-001)**

c) AUDIT REPORT
January 12, 2022

The first matter on the audit report was the election of the January 2022 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.

c) LEGAL & TITLE CONTROVERSY REPORT
January 12, 2022

THERE WERE NO ITEMS ON THIS REPORT.

e) DOCKET REVIEW REPORT
January 12, 2002
(Resolution No(s). 22-01-002 thru 22-01-006)

The Board heard the report from Greg Roberts on Wednesday, January 12, 2022, relative to the following:

- Category A: State Agency Leases
There were no items for this category
- Category B: State Lease Transfers
Docket Item Nos. 1 through 4
- Category C: Department of Wildlife & Fisheries State Agency Lease
There were no items for this category
- Category D: Advertised Proposals
Docket Item No. 1

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

- Category B: State Lease Transfers
Docket Item Nos. 1 through 4
(Resolution Nos. 22-01-002 through 22-01-005)
- Category D: Advertised Proposals
Docket Item No. 1
(Resolution No. 22-01-006)

**VI. EXECUTIVE SESSION
(Resolution No(s). 22-01-007 thru 22-01-009)**

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

Upon motion of Ms. Rochelle Michaud-Dugas, seconded by Mr. Harris, the Board Members went into Executive Session at 9:42 a.m.

Upon motion of Ms. LeBlanc, seconded by Mr. Smith, the Board reconvened in open session at 10:32 a.m. for consideration of the following matters discussed in Executive Session:

- a. A discussion of legal options for the management of the Gonsoulin Trust

Upon motion of Ms. Michaud-Dugas, seconded by Mr. Smith, the Board, pursuant to the discussion held in Executive Session, granted authority to the Attorney General's office to explore legal options including, but not limited to, the filing of the lawsuit pursuant to the law that authorized the creation of this trust to deal with resolving the Gonsoulin Trust issues. No comments were made by the public. **(Resolution No. 22-1-007)**

- b. A discussion of settlement matters in the following consolidated suits: *Stroud Petroleum, Inc. v. Pintail Properties, LLC, et al.*, Docket No. 34865, 39th JDC, Red River Parish, Louisiana; *Chesapeake Louisiana, L.P. v. Pintail Properties, L.L.C., et al.*, Docket No. 35565, 39th JDC, Red River Parish, Louisiana; *QEP Energy Company v. Pintail Properties, et al.*, Docket No. 35801, Red River Parish, Louisiana; *State of Louisiana v. ASA Properties, et al.*, Docket No. 35809, Red River Parish, Louisiana; *Petrohawk Operating Company v. Chesapeake Louisiana, L.P., et al.*, Docket No. 35903, Red River Parish, Louisiana

Upon motion of Mr. Watkins, seconded by Ms. Michaud-Dugas, the Board, pursuant to the discussion held in Executive Session, granted authority to the Attorney General's office to execute additional documents that will help in effectuating a final resolution of all these matters and generally move along the process of getting these claims closed out. No comments were made by the public. **(Resolution No. 22-01-008)**

- c. A discussion of and authority to negotiate on proposed operating agreement(s) between ConocoPhillips, the State of Louisiana, and the Louisiana Department of Wildlife & Fisheries for proposed carbon sequestration projects in St. Charles, St. John the Baptist, Lafourche, and Jefferson Parishes, Louisiana

Upon motion of Mr. Hollenshead, seconded by Mr. Watkins, the Board granted authority to Staff and the Attorney General's office to negotiate on proposed operating agreements between ConocoPhillips, the State of Louisiana, and the Louisiana Department of Wildlife & Fisheries for proposed carbon sequestration projects in St. Charles, St. John the Baptist, Lafourche, and Jefferson Parishes, Louisiana as discussed in Executive Session. No comments were made by the public. **(Resolution No. 22-1-009)**

- d. Update and discussion of ongoing negotiations of operating agreements for Carbon Capture & Sequestration on State owned lands and water-bottoms and for property owned by the Louisiana Department of Wildlife & Fisheries

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

- e. Technical Briefing on Bids

VII. AWARDING OF LEASES

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

There were six (6) tracts up for bid and three (3) bids were received on three (3) of the single tracts. Staff recommended accepting all three (3) bids received.

Upon motion of Mr. Watkins, and seconded by Mr. Harris, the Board voted to accept Staff's recommendations to accept the following bids and award leases on the following tracts:

Tract 45498

(Portion: 109.857 acres)

Bidder	:	EXPERT OIL & GAS L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$16,478.55
Annual Rental	:	\$8,239.28
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 45501
(Entire: 17 acres)

Bidder	:	PRIDE OIL & GAS PROPERTIES, INC.
Primary Term	:	Three (3) years
Cash Payment	:	\$6,137.00
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Royalties	:	20.5% on oil and gas
	:	20.5% on other minerals
Additional Consideration	:	None

Tract 45502
(Portion: 49.74 acres)

Bidder	:	HILCORP ENERGY I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$17,409.00
Annual Rental	:	\$8,704.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

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

This concluded the awarding of the leases.

VII. NEW BUSINESS

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

No new business was presented.

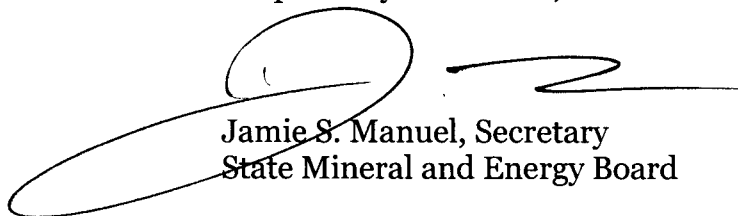
IX. ANNOUNCEMENTS

Mr. Manuel stated that the leases awarded totaled \$40,024.55 for the January 12, 2022 Lease Sale bringing the fiscal year total to \$1,917,349.80.

X. ADJOURNMENT

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Smith, seconded by Ms. Michaud-Dugas, the meeting was adjourned at 10:38 a.m.

Respectfully Submitted,

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal line that ends in a small flourish.

Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Authority to Advertise
Tracts for the March 9,
2022 Lease Sale

RESOLUTION #22-01-001

(NOMINATION AND TRACT REPORT)

WHEREAS, Mr. Greg Roberts reported that Seven (7) tract(s) were nominated for the March 9, 2022 Mineral Lease Sale, and requested that same be advertised pending staff review;

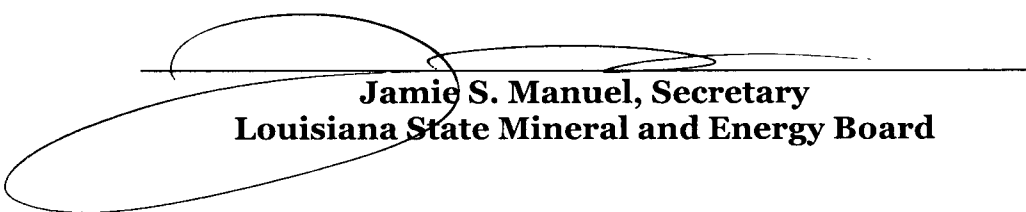
ON MOTION of Mr. Arnold, seconded by Mr. Hollenshead, the following recommendation was offered and unanimously adopted by the Board after discussion and careful consideration:

That the State Mineral and Energy Board grant approval to advertise all such tract(s) for the March 9, 2022 Mineral Lease Sale;

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

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 12th day of January 2022, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #22-01-002 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket item No. 1 from the January 12, 2022 meeting be approved, said being an Assignment from Cypress Energy Corporation to LLOLA, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 22034 and 22035, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

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

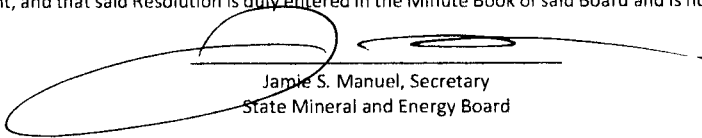
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of January, 2022, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #22-01-003 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket item No. 2 from the January 12, 2022 meeting be approved, said being an Assignment from Castex E&P, LLC, an undivided .7812500% interest to the following in the proportions set out below:

CSL Exploration L.P.	.1250000%
Castex Energy 2021, LLC	.6562500%

in and to Operating Agreement "A0391", Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

Castex Energy 2021, LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

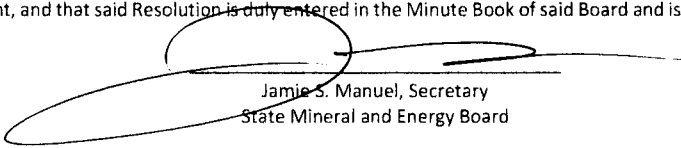
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of January, 2022, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #22-01-004 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the January 12, 2022 meeting be approved, said being an Assignment from Castex E&P, LLC to Castex Energy 2021, LLC, an undivided 75% of Assignor's right, title and interest in and to State Lease Nos. 21608, 21615, 21616, 21676 and 21677, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

Castex Energy 2021, LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

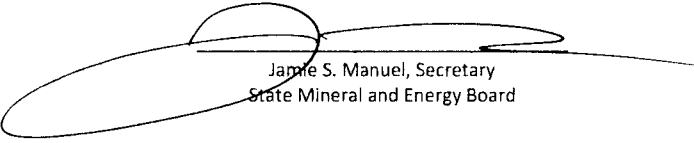
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of January, 2022, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #22-01-005

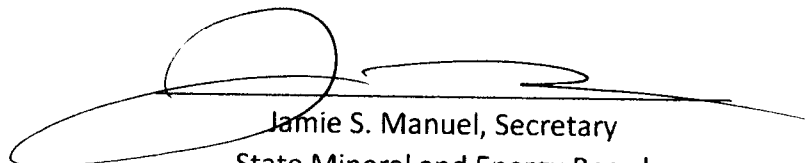
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the January 12, 2022 meeting be approved, said instrument being a Correction of Resolution #21-10-032, Docket Item No. 22 from the October 13, 2021 meeting, being a Wellbore Assignment from Vine Oil & Gas, LP to Silver Creek Exploration, LLC, whereas said resolution incorrectly read..."a Wellbore Assignment from Vine Oil & Gas, LP to Silver Creek Exploration, LLC" and is hereby being corrected to read.. "a Wellbore Assignment from Silver Creek Exploration, LLC to Pivotal Haynesville Drilling II, LLC", affecting State Lease No. 20516, DeSoto and Red River 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 12th day of January, 2022 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #22-01-006

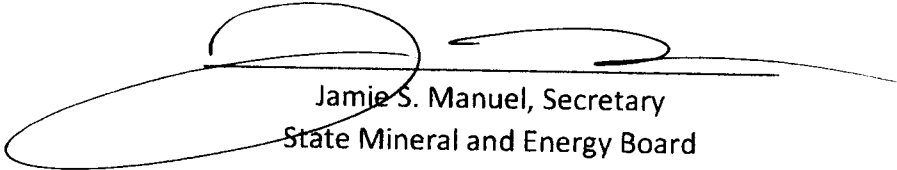
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 20-01 from the January 12, 2022 meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board of the State of Louisiana, acting for an behalf of the State of Louisiana and Hilcorp Energy I L.P., to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the state a State Production interest equal to 23.0% interest before payout increasing to 23.5% after payout, in and to the operating tract, containing 29.63 acres, more or less, comprising of a portion former State Lease No. 19477, Terrebonne Parish, Louisiana, more fully described in Exhibit "A" attached hereto as a part hereof, with further particulars being stipulated in the instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of January, 2022 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion
Re: A discussion regarding legal
options for the management of
the Gonsoulin Trust

RESOLUTION # 22-01-007

(EXECUTIVE SESSION)

WHEREAS, a discussion regarding legal options for the management of the Gonsoulin Trust was held in Executive Session;

ON MOTION of Ms. Michaud-Dugas, seconded by Mr. Smith, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board, pursuant to the discussion held in Executive Session, granted authority to the Attorney General's office to explore legal options including, but not limited to, the filing of the lawsuit pursuant to the law that authorized the creation of this trust to deal with resolving the Gonsoulin Trust issues.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of January, 2022 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



JAMIE S. MANUEL, SECRETARY
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion
Re: A discussion of settlement matters in the following consolidated suits: Stroud Petroleum, Inc. v. Pintail Properties, LLC, et al., #34865, 39th JDC, Red River Parish, LA; Chesapeake Louisiana, L.P. v. Pintail Properties, L.L.C., et al., #35565, 39th JDC, Red River Parish, LA; QEP Energy Company v. Pintail Properties, et al., # 35801, Red River Parish, LA; State of LA v. ASA Properties, et al., #35809, Red River Parish, LA; Petrohawk Operating Company v. Chesapeake Louisiana, L.P., et al., #35903, Red River Parish, LA

RESOLUTION # 22-01-008

(EXECUTIVE SESSION)

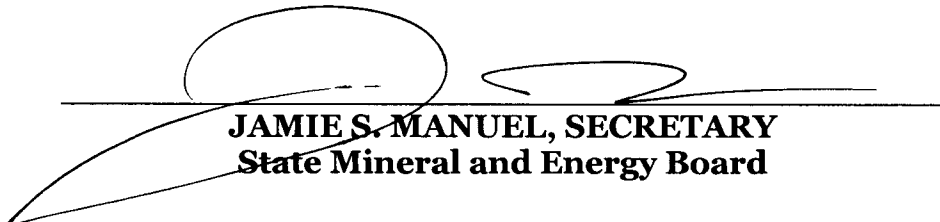
WHEREAS, a discussion of settlement matters in the following consolidated suits: Stroud Petroleum, Inc. v. Pintail Properties, LLC, et al., Docket No. 34865, 39th JDC, Red River Parish, Louisiana; Chesapeake Louisiana, L.P. v. Pintail Properties, L.L.C., et al., Docket No. 35565, 39th JDC, Red River Parish, Louisiana; QEP Energy Company v. Pintail Properties, et al., Docket No. 35801, Red River Parish, Louisiana; State of Louisiana v. ASA Properties, et al., Docket No. 35809, Red River Parish, Louisiana; Petrohawk Operating Company v. Chesapeake Louisiana, L.P., et al., Docket No. 35903, Red River Parish, Louisiana was held in Executive Session;

ON MOTION of Mr. Watkins, seconded by Ms. Michaud-Dugas, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board, pursuant to the discussion held in Executive Session, granted authority to the Attorney General's office to execute additional documents that will help in effectuating a final resolution of all these matters and generally move along the process of getting these claims closed out.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of January, 2022 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



JAMIE S. MANUEL, SECRETARY
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion
Re: A discussion of and authority to negotiate on proposed operating agreement(s) between ConocoPhillips, the State of LA, and the LA Department of Wildlife & Fisheries for proposed carbon sequestration projects in St. Charles, St. John the Baptist, Lafourche, & Jefferson Parishes, LA

RESOLUTION # 22-01-009

(EXECUTIVE SESSION)

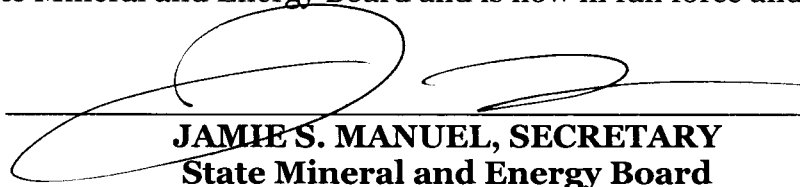
WHEREAS, a discussion of and authority to negotiate on proposed operating agreement(s) between ConocoPhillips, the State of Louisiana, and the Louisiana Department of Wildlife & Fisheries for proposed carbon sequestration projects in St. Charles, St. John the Baptist, Lafourche, and Jefferson Parishes, Louisiana was held in Executive Session;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board granted authority to Staff and the Attorney General's office to negotiate on proposed operating agreements between ConocoPhillips, the State of Louisiana, and the Louisiana Department of Wildlife & Fisheries for proposed carbon sequestration projects in St. Charles, St. John the Baptist, Lafourche, and Jefferson Parishes, Louisiana as discussed in Executive Session.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of January, 2022 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.


JAMIE S. MANUEL, SECRETARY
State Mineral and Energy Board