

MINUTES

STATE MINERAL AND ENERGY BOARD

LEASE SALE
AND
BOARD MEETING

JANUARY 8, 2025

TYLER PATRICK GRAY
SECRETARY

DUSTIN H. DAVIDSON
DEPUTY SECRETARY



MARK NORMAND, JR.
UNDERSECRETARY

MANNY ACOSTA
OIL SPILL COORDINATOR

KEITH O. LOVELL
ASSISTANT SECRETARY
COASTAL MANAGEMENT

AMANDA MCCLINTON
ASSISTANT SECRETARY
ENERGY

ANDREW B. YOUNG
ASSISTANT SECRETARY
MINERAL RESOURCES

STEVEN M. GIAMBRONE
INTERIM DIRECTOR
CONSERVATION

DEPARTMENT OF ENERGY AND NATURAL RESOURCES

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

January 8, 2025

LADIES and GENTLEMEN:

Certified proofs of publication have been received in the Office of Mineral Resources on behalf of the State Mineral and Energy Board for the State of Louisiana from the "Advocate," official journal for the State of Louisiana, and from the respective parish journals as evidence that Tract Nos. **45880** through **45913** have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended.

We will proceed with the opening of the bids.

Yours very truly,

Greg Roberts
Petroleum Lands Director

TYLER PATRICK GRAY
SECRETARY

DUSTIN H. DAVIDSON
DEPUTY SECRETARY



MARK NORMAND, JR.
UNDERSECRETARY

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DEPARTMENT OF ENERGY AND NATURAL RESOURCES

OPENING OF BIDS January 8, 2025

A public meeting for the purpose of opening sealed bids was held on Wednesday, January 8, 2025, beginning at 8:31 a.m.

Angela Patterson, Land Specialist in the Energy Lands Division of the Office of Mineral Resources, presided over the meeting.

She then read the letters of notification certifying the legal sufficiency of the advertisement of Tract Nos. 45880 through 45913 which were published for today's lease sale.

Ms. Patterson stated that no tracts advertised were withdrawn, and there were no letters of protest received.

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

Tract 45892 (Entire: 16.220 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$2,433.00
<u>Annual Rental:</u>	\$1,216.50
<u>Royalties:</u>	25% on oil and gas 25% on other minerals

Additional Consideration: This lease covers and affects those depths from the surface of the ground to 100 feet below the stratigraphic equivalent of the base of the Wilcox formation, defined as correlative to the depth of 9,500 feet on the electric log of the Trail Mountain, Inc. – Black Stone D-1 Well (API No. 17-009-2055600; Well Serial No. 221132), located in the Northwest Quarter of Section 13, Township 2 North, Range 6 East, Avoyelles Parish, Louisiana. Lessor reserves all depths below 100 feet of the base of the Wilcox formation.

Tract 45894
(Entire: 115.000 acres)

<u>Bidder:</u>	Border Exploration, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$18,745.00
<u>Annual Rental:</u>	\$9,372.50
<u>Royalties:</u>	20% on oil and gas 20% on other minerals
<u>Additional Consideration:</u>	None

Tract 45895
(Entire: 45.000 acres)

<u>Bidder:</u>	Border Exploration, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$7,740.00
<u>Annual Rental:</u>	\$3,870.00
<u>Royalties:</u>	20% on oil and gas 20% on other minerals
<u>Additional Consideration:</u>	None

Tract 45896
(Entire: 44.000 acres)

<u>Bidder:</u>	Border Exploration, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$11,000.00
<u>Annual Rental:</u>	\$3,300.00
<u>Royalties:</u>	20% on oil and gas 20% on other minerals
<u>Additional Consideration:</u>	None

Tract 45903
(Entire: 1.852 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$6,482.00
<u>Annual Rental:</u>	\$3,241.00
<u>Royalties:</u>	25.2% on oil and gas 25.2% on other minerals
<u>Additional Consideration:</u>	None

Tract 45905

(Entire: 1.528 gross/0.764 net acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$2,674.00
<u>Annual Rental:</u>	\$1,337.00
<u>Royalties:</u>	25.2% on oil and gas 25.2% on other minerals
<u>Additional Consideration:</u>	None

Tract 45906

(Entire: 20.000 acres)

<u>Bidder:</u>	Border Exploration, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$3,440.00
<u>Annual Rental:</u>	\$1,720.00
<u>Royalties:</u>	20% on oil and gas 20% on other minerals
<u>Additional Consideration:</u>	None

Tract 45910

(Entire: 40.000 acres)

<u>Bidder:</u>	Border Exploration, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$6,520.00
<u>Annual Rental:</u>	\$3,260.00
<u>Royalties:</u>	20% on oil and gas 20% on other minerals
<u>Additional Consideration:</u>	None

Tract 45912

(Entire: 40.000 acres)

<u>Bidder:</u>	Border Exploration, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$6,880.00
<u>Annual Rental:</u>	\$3,440.00
<u>Royalties:</u>	20% on oil and gas 20% on other minerals
<u>Additional Consideration:</u>	None

State Mineral and Energy Board
Opening of Bids
January 8, 2025
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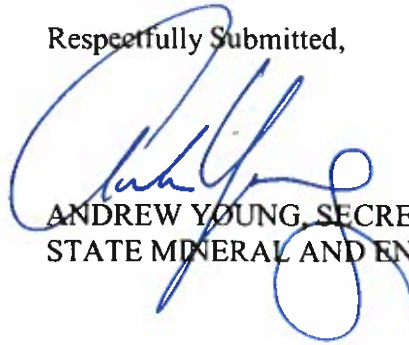
Tract 45913
(Entire: 1.000 acres)

<u>Bidder:</u>	SandPoint Energy Partners LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$68.75
<u>Annual Rental:</u>	\$34.50
<u>Royalties:</u>	23% on oil and gas 23% on other minerals
<u>Additional Consideration:</u>	None

This concluded the reading of the bids.

There being no further business, the Opening of the Bids Meeting was concluded at 8:46 a.m.

Respectfully Submitted,



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD

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REGULAR MEETING JANUARY 8, 2025

The Regular Meeting of the State Mineral and Energy Board was held on Wednesday, January 8, 2025, beginning at 9:42 a.m. in the LaBelle Room of the LaSalle Building, 617 N. 3rd Street, First Floor, Baton Rouge, Louisiana.

I. Call to Order

Mr. Sidney W. Degan III, Chairman of the State Mineral and Energy Board, called the meeting to order.

II. Roll Call

The Chairman then requested a roll call for the purpose of establishing a quorum.

Sidney W. Degan III, Chairman
J. Todd Hollenshead, Vice-Chairman
Andrew Young, Secretary Gray's Designee
Robert D. Watkins
Matthew G. Moncla
Charles W. "Wes" Shepherd Sr.
Benjamin C. Bienvenu
Billy A. Busbice, Jr.
Richard A. Nelson, Governor Landry's Designee (left at 11:36 a.m. before Executive Session)

The following members were recorded as absent:

Magnus J. "Jake" Arceneaux IV
Clifton Dale Sittig

The Chairman announced that a quorum 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 11, 2024 Minutes

The Chairman stated that the next order of business was the approval of the December 11, 2024 Minutes.

A motion was made by Mr. Busbice to adopt the December 11, 2024 Minutes as submitted, and to waive reading said minutes in entirety. His motion was seconded by Mr. Watkins and unanimously adopted by the Board. No public comments were made at this time.

V. Update on reorganization of the Department of Energy and Natural Resources and governance of the Natural Resources Trust Authority

This matter was informational only, and no Board action was taken.

VI. Staff Reports

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

- a) Lease Review Report – Presented by Jason Talbot, Petroleum Scientist Manager, Geology and Engineering Division
- b) Nomination and Tract Report – Presented by Greg Roberts, Energy Lands Director, Energy Lands Division
- c) Audit Report – Presented by Taletha Shorter, Audit Director, Mineral Income Division
- d) Legal and Title Controversy Report – Presented by Greg Roberts, Energy Lands Director, Energy Lands Division
- e) Docket Review Report – Presented by Greg Roberts, Energy Lands Director, Energy Lands Division

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

A) Lease Review Report
January 8, 2025

I. GEOLOGICAL AND ENGINEERING STAFF REVIEW

According to the SONRIS database, there are 963 active State Leases containing approximately 419,015 acres. Since the last Lease Review Report, the Geological and Engineering Division reviewed 97 leases covering approximately 26,154 acres for lease maintenance and development.

II. BOARD REVIEW

There were no State Lease items brought before the Board for discussion or action.

III. FORCE MAJEURE

There were no Force Majeure items brought before the Board for discussion or action.

IV. STAFF PRESENTATION

A presentation was held regarding the management of State Leases Absent a “Pugh” Clause.

This matter was a presentation only, and no Board action was required.

b) NOMINATION AND TRACT REPORT

January 8, 2025
(Resolution No. 25-01-001)

The Board heard the report of Mr. Greg Roberts on Wednesday, January 8, 2025, relative to nominations received in the Office of Mineral Resources for the March 12, 2025 Mineral Lease Sale and other matters as follows:

I. PRESENT LEASE SALE

- A. Approval by the State Mineral and Energy Board (Board) was previously granted to the Staff of the Office of Mineral Resources (OMR) to process and advertise the thirty-four (34) tracts that were nominated for the January 2025 Mineral Lease Sale.

By comparison, OMR received twenty-nine (29) nominations for advertisement concerning the January 2024 Mineral Lease Sale.

II. FUTURE LEASE SALE

- A. Three (3) nominations for advertisement were received by OMR for the March 12, 2025 Mineral Lease Sale.

Staff recommended that the Board grant authority to advertise the three (3) nominations received by OMR for the March 12, 2025 lease sale.

Based upon Staff's recommendation, and on motion of Mr. Hollenshead, seconded by Mr. Shepherd and by unanimous vote of the Board, 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. 25-01-001)**

c) AUDIT REPORT
January 8, 2025
(Resolution No. 25-01-002)

The Board heard the report of Ms. Taletha Shorter, Audit Director, on Wednesday, January 8, 2025, relative to the following:

As of December 31, 2024, field audit collections totaled \$88,349.42 in penalties. The current number of open royalty audits is 35.

Royalties collected in December 2024 totaled \$9,831,462.81 and Fiscal Year to Date \$65,836,991.37, as compared to last year's Fiscal Year to Date Royalties of \$79,723,913.70 as of December 31, 2023.

Monthly state royalty reports submitted in December totaled 194 which include 78 SR1s for oil, 97 SR2s for gas and 19 SR5s for plant products.

Items on the report are as follows:

1. Staff report to the Board that the election for January 2025 gas royalty is 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.

Upon motion of Mr. Shepherd, seconded by Assistant Secretary Young, the Board voted unanimously to acknowledge and approve the election of the January 2025 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. **(Resolution No. 25-01-002)**

d) Legal & Title Controversy Report

January 8, 2025
(Resolution No. 25-01-003)

1. SMTP Energy, LLC (SMTP) has requested an extension for the commencement of operations outlined in Additional Consideration within their bid form to acquire State Lease No. 22175 (SL 22175).

On December 13, 2024, SMTP was awarded SL 22175, which encompasses nominated tract number 45697. As a part of its bid, SMTP committed to paying liquidated damages to the State if it failed to perform specific operations within designated timeframes. However, SMTP has informed Staff that it will not meet these timeframes and is requesting a one-year extension to initiate the specified operations.

The request seeks a 12-month extension to commence operations, including a workover of SL 20482 Well No. 1 and the drilling of a new well to a total vertical depth of approximately 10,500 feet. If granted, this extension would allow SMTP until December 13, 2025, to begin these operations without incurring the liquidated damages outlined in the bid form.

Staff recommended that the Board grant a 12-month extension to commence operations, including a workover of SL 20482 Well No. 1 and the drilling of a new well to a total vertical depth of approximately 10,500 feet. If granted, this extension would allow SMTP until December 13, 2025, to begin these operations without incurring the liquidated damages outlined in the bid form.

After lengthy discussion, and upon motion of Mr. Watkins, seconded by Mr. Bienvenu, the Board voted unanimously to grant SMTP Energy, LLC a 12-month extension to commence operations, including a workover of SL 20482 Well No. 1 and the drilling of a new well to a total vertical depth of approximately 10,500 feet. This extension allows SMTP until December 13, 2025, to begin these operations without incurring the liquidated damages outlined in the bid form. Upon request for comments from the public, Rob Schroeder addressed the Board with his comments on this matter. **(Resolution No. 25-01-003)**

2. An update on the process to acquire operating agreements for carbon sequestration and wind energy developments.

This matter was informational only, and no Board action was taken.

e) DOCKET REVIEW REPORT
January 8, 2025
(Resolution No(s). 25-01-004 through 25-01-007)

The Board heard the report from Greg Roberts on Wednesday, January 8, 2025, relative to the following:

- Category A: State Agency Lease
There were no items in 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
There were no items for this category

Based upon the staff's recommendation, on motion of Mr. Shepherd, duly seconded by Mr. Young, the Board voted to accept the following recommendations:

- Category B: State Lease Transfers
Docket Item Nos. 1 through 4
(Resolution No. 25-01-004 through No. 25-01-007)

VII. Executive Session

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

Upon motion of Mr. Shepherd, seconded by Mr. Hollenshead, and a roll call of the Board Members, the Board went into Executive Session at 11:36 a.m.

Upon motion of Mr. Watkins, seconded by Mr. Busbice, and a roll call of the Board Members, the Board reconvened in open session at 12:12 p.m. for consideration of the following matters discussed in Executive Session:

- a. Technical Briefing on the Bids

VIII. Awarding of Leases

Mr. Jason Talbot presented the Staff's recommendations to the Board:

Mr. Talbot reported that thirty-four (34) tracts were up for bid at today's lease sale with a total of ten (10) bids received.

The following was Staff's recommendation on the one (1) tract Mr. Talbot discussed in detail:

Upon review of the single bid received on Tract No. 45896, Staff recommended rejecting the bid of Border Exploration, LLC for insufficient consideration.

All other bids received on the remaining tracts were also recommended for approval at today's lease sale.

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

Tract 45892
(Entire: 16.220 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$2,433.00
<u>Annual Rental:</u>	\$1,216.50
<u>Royalties:</u>	25% on oil and gas 25% on other minerals

Additional Consideration: This lease covers and affects those depths from the surface of the ground to 100 feet below the stratigraphic equivalent of the base of the Wilcox

formation, defined as correlative to the depth of 9,500 feet on the electric log of the Trail Mountain, Inc. – Black Stone D-1 Well (API No. 17-009-2055600; Well Serial No. 221132), located in the Northwest Quarter of Section 13, Township 2 North, Range 6 East, Avoyelles Parish, Louisiana. Lessor reserves all depths below 100 feet of the base of the Wilcox formation.

Tract 45894

(Entire: 115.000 acres)

<u>Bidder:</u>	Border Exploration, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$18,745.00
<u>Annual Rental:</u>	\$9,372.50
<u>Royalties:</u>	20% on oil and gas 20% on other minerals
<u>Additional Consideration:</u>	None

Tract 45895

(Entire: 45.000 acres)

<u>Bidder:</u>	Border Exploration, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$7,740.00
<u>Annual Rental:</u>	\$3,870.00
<u>Royalties:</u>	20% on oil and gas 20% on other minerals
<u>Additional Consideration:</u>	None

Tract 45903

(Entire: 1.852 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$6,482.00
<u>Annual Rental:</u>	\$3,241.00
<u>Royalties:</u>	25.2% on oil and gas 25.2% on other minerals
<u>Additional Consideration:</u>	None

Tract 45905

(Entire: 1.528 gross/0.764 net acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$2,674.00
<u>Annual Rental:</u>	\$1,337.00
<u>Royalties:</u>	25.2% on oil and gas 25.2% on other minerals
<u>Additional Consideration:</u>	None

Tract 45906

(Entire: 20.000 acres)

<u>Bidder:</u>	Border Exploration, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$3,440.00
<u>Annual Rental:</u>	\$1,720.00
<u>Royalties:</u>	20% on oil and gas 20% on other minerals
<u>Additional Consideration:</u>	None

Tract 45910

(Entire: 40.000 acres)

<u>Bidder:</u>	Border Exploration, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$6,520.00
<u>Annual Rental:</u>	\$3,260.00
<u>Royalties:</u>	20% on oil and gas 20% on other minerals
<u>Additional Consideration:</u>	None

Tract 45912

(Entire: 40.000 acres)

<u>Bidder:</u>	Border Exploration, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$6,880.00
<u>Annual Rental:</u>	\$3,440.00
<u>Royalties:</u>	20% on oil and gas 20% on other minerals
<u>Additional Consideration:</u>	None

Tract 45913
(Entire: 1.000 acres)

<u>Bidder:</u>	SandPoint Energy Partners LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$68.75
<u>Annual Rental:</u>	\$34.50
<u>Royalties:</u>	23% on oil and gas 23% on other minerals
<u>Additional Consideration:</u>	None

Lease(s) awarded were conditioned on the tract description(s) being accurate, overlapped prior leases being subtracted from acreage bid on, acreage amount(s) being verified and agreed between bidder and state and portion bids verified as being located within advertised boundary of tract.

This concluded the awarding of the leases.

IX. Presentation by Harry Crawford, III of Diligence Offshore Services

This matter was a presentation only, and no Board action was required.

X. New Business

There was no new business discussed.

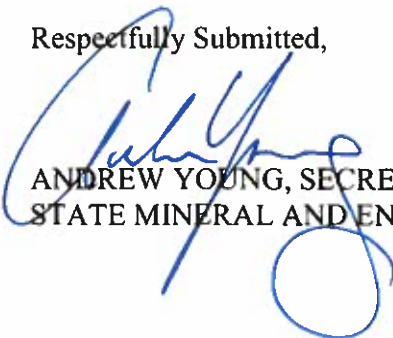
XI. Announcements

Mr. Young stated that the total cash payments received for the January 8, 2025 Lease Sale totaled \$54,982.75 bringing the fiscal year-to-date total to \$5,190,633.29.

XII. Adjournment

The Chairman then stated that there being no further business to come before the Board, upon motion of Mr. Busbice, seconded by Mr. Watkins, the meeting was adjourned at 12:34 p.m.

Respectfully Submitted,


ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-01-001
[NOMINATION & TRACT]

WHEREAS, Mr. Greg Roberts reported that three (3) tracts were nominated for the March 12, 2025 Mineral Lease Sale, and requested that same be advertised pending staff review;

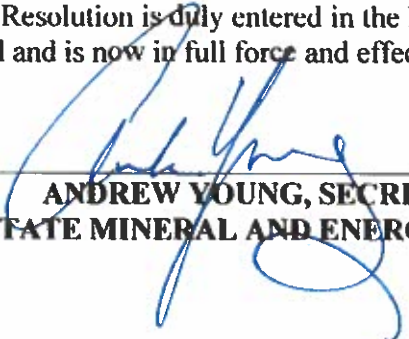
ON MOTION of Mr. Hollenshead, seconded by Mr. Shepherd, the following recommendation was offered and unanimously adopted by the Board after discussion and careful consideration:

That the State Mineral and Energy Board grant approval to advertise all such tract(s) for the March 12, 2025 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 8th day of January, 2025, 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.



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-01-002
[AUDIT]

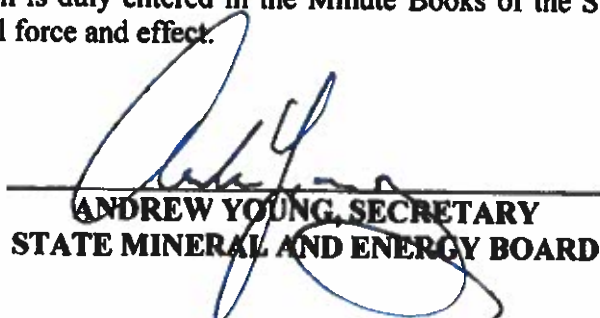
WHEREAS, Staff reported to the Board that the election of the January 2025 gas royalty is to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement; and

ON MOTION of Mr. Shepherd, seconded by Assistant Secretary Young, 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 acknowledged and approved that the election of the January 2025 gas royalty is 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.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of January, 2025 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.



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-01-003 [LEGAL & TITLE CONTROVERSY REPORT]

WHEREAS, after consideration and discussion of the request of SMTP Energy, LLC for an extension for the commencement of operations outlined in the Additional Consideration within their bid form to acquire **State Lease No. 22175** was held;

WHEREAS, SMTP Energy, LLC's request for a twelve (12) month extension to commence operations includes a workover of **State Lease No. 20482 Well No. 1** and the drilling of a new well to a total vertical depth of approximately 10,500 feet; and

WHEREAS, this extension would allow SMTP Energy, LLC until December 13, 2025, to begin these operations without incurring the liquidated damages outlined in the bid form to acquire **State Lease No. 22175**; and

Upon recommendation of Staff and motion of Mr. Watkins, seconded by Mr. Bienvenu, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

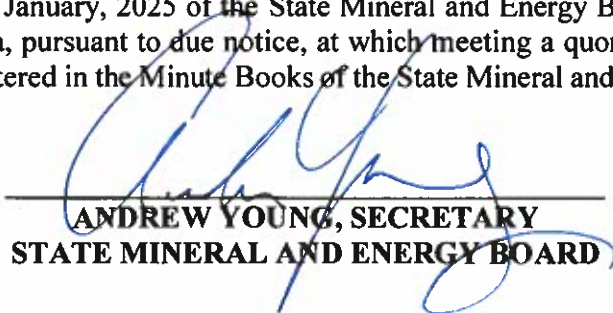
NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant SMTP Energy, LLC's request for a twelve (12) month extension to commence operations including a workover of **State Lease No. 20482 Well No. 1** and the drilling of a new well to a total vertical depth of approximately 10,500 feet; and

BE IT FURTHER RESOLVED that the State Mineral and Energy Board does hereby grant SMTP Energy, LLC's request for an extension until December 13, 2025 to begin these operations without incurring the liquidated damages outlined in the bid form; and

BE IT FURTHER RESOLVED that the State Mineral and Energy Board does hereby grant SMTP Energy, LLC's request for an extension of the commencement of operations outlined in the Additional Consideration within their bid form to acquire **State Lease No. 22175**.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of January, 2025 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.



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-01-004

[DOCKET]

WHEREAS, approval of Docket Item No. 1 from the January 8, 2025 Meeting being an Assignment presented to the State Mineral and Energy Board; and

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant approval of Docket Item No. 1, said instrument being more specifically described as follows:

An Assignment from Mark A. O'Neal & Associates, Inc. to LLOLA, LLC, of all of Assignor's right, title and interest in and to State Lease No. **22233**, Iberia and Vermilion Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

NOW THEREFORE, BE IT FURTHER RESOLVED that said 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

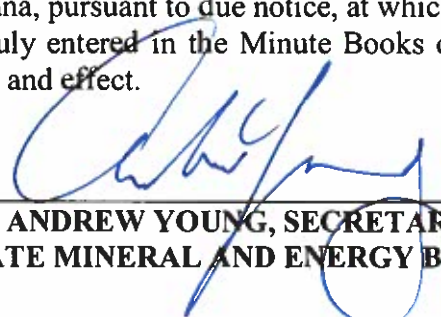
approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease 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 on the 8th day of January, 2025 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.



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-01-005

[DOCKET]

WHEREAS, approval of Docket Item No. 2 from the January 8, 2025 Meeting being an Assignment presented to the State Mineral and Energy Board; and

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant approval of Docket Item No. 2, said instrument being more specifically described as follows:

An Assignment from Theophilus Oil, Gas & Land Services, LLC to TP Panther Dome, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. **22203** and **22204**, Jefferson and Lafourche Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

NOW THEREFORE, BE IT FURTHER RESOLVED that said 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

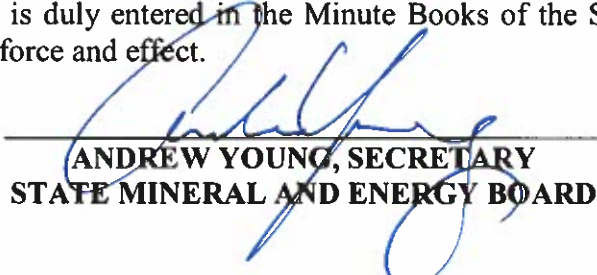
failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof 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 on the 8th day of January, 2025 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.


ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-01-006

[DOCKET]

WHEREAS, approval of Docket Item No. 3 from the January 8, 2025 Meeting being an Assignment presented to the State Mineral and Energy Board; and

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant approval of Docket Item No. 3, said instrument being more specifically described as follows:

An Assignment from Castex Energy 2021, LLC to Tri-Star Louisiana, LLC, an undivided 37.4182017% of Assignor's interest in and to State Lease Nos. **21676, 21677** and **Operating Agreement "A0383"**, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

NOW THEREFORE, BE IT FURTHER RESOLVED that said 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

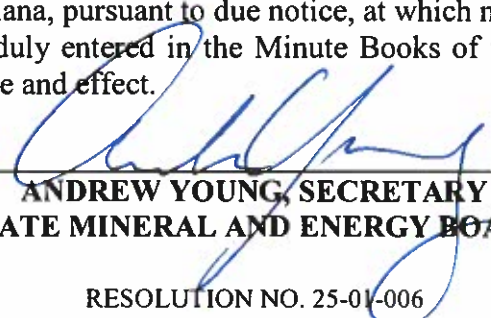
lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, 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 on the 8th day of January, 2025 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.



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD

RESOLUTION NO. 25-01-006



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-01-007

[DOCKET]

WHEREAS, approval of Docket Item No. 4 from the January 8, 2025 Meeting being an Assignment presented to the State Mineral and Energy Board; and

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant approval of Docket Item No. 4, said instrument being more specifically described as follows:

An Assignment from Apache Corporation to Tri-Star Louisiana LLC, of all of Assignor's right, title and interest in and to State Lease Nos. **21608, 21614, 21615, 21616, 21676, 21677 and Operating Agreement "A0383"**, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

NOW THEREFORE, BE IT FURTHER RESOLVED that said 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

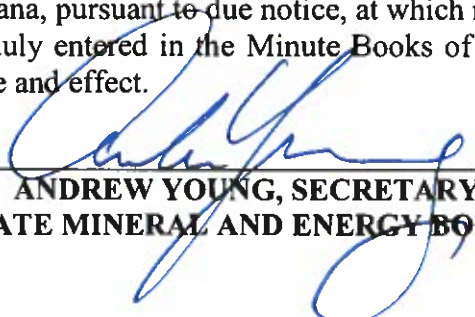
failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof 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 on the 8th day of January, 2025 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.



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD