

MINUTES

STATE MINERAL AND ENERGY BOARD

LEASE SALE
AND
BOARD MEETING

JULY 10, 2024

JEFF LANDRY
GOVERNOR



TYLER PATRICK GRAY
SECRETARY

ANDREW YOUNG
ASSISTANT SECRETARY

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

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

July 10, 2024

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. **45814** through **45828** 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,

A handwritten signature in blue ink, appearing to read "Greg Roberts".

Greg Roberts
Petroleum Lands Director

JEFF LANDRY
GOVERNOR



TYLER PATRICK GRAY
SECRETARY

ANDREW YOUNG
ASSISTANT SECRETARY

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

OPENING OF BIDS
July 10, 2024

A public meeting for the purpose of opening sealed bids was held on Wednesday, July 10, 2024, 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 Tracts 45814 through 45828 which were published for lease by the Board at today's sale.

Ms. Patterson stated that no tracts were withdrawn from today's lease sale.

Ms. Patterson further stated that no letters of protest were received for today's lease sale.

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

Tract 45814
(Entire: 82.000 acres)

Bidder	:	Border Exploration, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$12,300.00
Annual Rental	:	\$6,150.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 45818

(Portion: 216.826 acres)

Bidders	:	Gray Production Company
Primary Term	:	Three (3) years
Cash Payment	:	\$44,449.33
Annual Rental	:	\$22,224.67
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 45820

(Portion: 27.25 acres)

Bidder	:	Hilcorp Energy I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$6,022.25
Annual Rental	:	\$3,011.13
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 45821

(Entire: 12.000 acres)

Bidders	:	USG Properties Haynesville, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$37,200.00
Annual Rental	:	\$18,600.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 45822

(Entire: 10.010 acres)

Bidder	:	Cypress Energy Partners, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$31,531.50
Annual Rental	:	\$15,765.75
Royalties	:	20% on oil and gas
	:	20% on other minerals

Additional Consideration: Cypress Energy Partners, LLC is bidding on Tract 45822 as agent for Paloma Natural Gas, LLC ("Paloma"). Tract 45822 is included in the HA RA SUV, which is a drilling and production unit operated by Paloma for the Haynesville Zone, Reservoir A, in Shreveport Field, Caddo Parish, Louisiana. The HA RA SUV comprises the South-Half of Section 8 and all of Sections 17 and 20, Township 17 North, Range 14 West. Paloma is the operator of the HA RA SUV and has permitted a well to be drilled on the unit and has designated five (5) additional horizontal wells to serve the unit. As operator, Paloma will be spending tens of millions of dollars to drill and complete these wells which will result in production revenue to the Caddo Parish School Board.

Tract 45823

(Entire: 141.1289 acres)

Bidder	:	Cypress Energy Partners, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$444,556.04
Annual Rental	:	\$222,278.02
Royalties	:	25% on oil and gas
	:	25% on other minerals

Additional Consideration: Cypress Energy Partners, LLC is bidding on Tract 45823 as agent for Paloma Natural Gas, LLC ("Paloma"). Tract 45823 is included in the HA RA SUV, which is a drilling and production unit operated by Paloma for the Haynesville Zone, Reservoir A, in Shreveport Field, Caddo Parish, Louisiana. The HA RA SUV comprises the South-Half of Section 8 and all of Sections 17 and 20, Township 17 North, Range 14 West. Paloma is the operator of the HA RA SUV and has permitted a well to be drilled on the unit and has designated five (5) additional horizontal wells to serve the unit. As operator, Paloma will be spending tens of millions of dollars to drill and complete these wells which will result in production revenue to the City of Shreveport.

Tract 45824

(Entire: 13.3554 gross acres / 6.6777 net acres)

Bidder	:	Cypress Energy Partners, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$21,034.76
Annual Rental	:	\$10,517.38
Royalties	:	25% on oil and gas
	:	25% on other minerals

Additional Consideration: Cypress Energy Partners, LLC is bidding on Tract 45824 as agent for Paloma Natural Gas, LLC ("Paloma"). Tract 45824 is included in the HA RA SUV, which is a drilling and production unit operated by Paloma for the Haynesville Zone, Reservoir A, in Shreveport Field, Caddo Parish, Louisiana. The HA RA SUV comprises the South-Half of Section 8 and all of Sections 17 and 20, Township 17 North, Range 14 West. Paloma is the operator of the HA RA SUV and has permitted a well to be drilled on the unit and has designated five (5) additional horizontal wells to serve the unit. As operator, Paloma will be spending tens of millions of dollars to drill and complete these wells which will result in production revenue to the City of Shreveport.

Tract 45825
(Entire: 142.303 acres)

Bidder	:	Cypress Energy Partners, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$448,254.45
Annual Rental	:	\$224,127.23
Royalties	:	25% on oil and gas
	:	25% on other minerals

Additional Consideration: Cypress Energy Partners, LLC is bidding on Tract 45825 as agent for Paloma Natural Gas, LLC ("Paloma"). Tract 45825 is included in the HA RA SURR and HA RA SU90, which are drilling and production units operated by Paloma for the Haynesville Zone, Reservoir A, in Greenwood-Waskom Field, Caddo Parish, Louisiana. The HA RA SURR comprises Section 32 and the HA RA SU90 comprises Section 33, both in Township 17 North, Range 15 West. Paloma is the operator of the HA RA SURR and HA RA SU90 and operates wells in both units and has designated additional horizontal wells to serve the units. As operator, Paloma will be spending tens of millions of dollars to drill and complete these wells which will result in production revenue to the Caddo Parish Commission.

Tract 45826
(Entire: 147.0183 acres)

Bidder	:	Cypress Energy Partners, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$551,318.63
Annual Rental	:	\$275,659.31
Royalties	:	26.2% on oil and gas
	:	26.2% on other minerals
Additional Consideration	:	None

Tract 45827
(Entire: 1.0168 gross acres / .5084 net acres)

Bidder	:	Cypress Energy Partners, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$1,601.46
Annual Rental	:	\$800.73
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

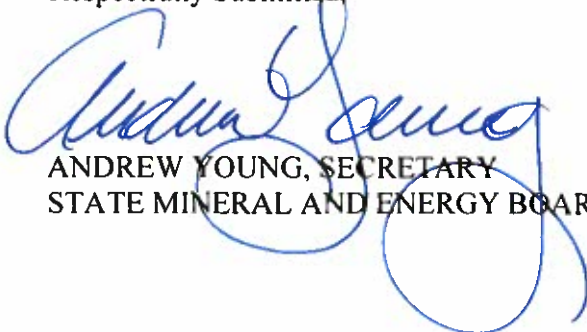
Tract 45828
(Entire: 0.480acres)

Bidder	:	Bayougoula Resources, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$400.00
Annual Rental	:	\$200.00
Royalties	:	20% on oil and gas
	:	20% 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 8:49 a.m.

Respectfully Submitted,



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD

JEFF LANDRY
GOVERNOR



TYLER PATRICK GRAY
SECRETARY

ANDREW YOUNG
ASSISTANT SECRETARY

State of Louisiana

DEPARTMENT OF ENERGY AND NATURAL RESOURCES
OFFICE OF MINERAL RESOURCES
STATE MINERAL AND ENERGY BOARD

REGULAR MEETING JULY 10, 2024

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, July 10, 2024**, beginning at 9:36 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
Tyler P. Gray, DENR Secretary
Magnus J. "Jake" Arceneaux IV
Matthew G. Moncla
Charles W. "Wes" Shepherd Sr.

The following members were recorded as absent:

Clifton Dale Sittig
Robert D. Watkins
Harvey "Ned" White
Billy A. Busbice, Jr.
Richard A. Nelson, Governor Landry's Designee

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 JUNE 12, 2024 MINUTES

The Chairman stated that the next order of business was the approval of the June 12, 2024 Minutes.

A motion was made by Secretary Gray to adopt the June 12, 2024 Minutes as submitted, and to waive reading said minutes in entirety. His motion was seconded by Mr. Shepherd and unanimously adopted by the Board. No public comments were made at this time.

V. 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
July 10, 2024

I. GEOLOGICAL AND ENGINEERING STAFF REVIEW

According to the SONRIS database, there are 968 active State Leases containing approximately 411,046 acres. Since the last Lease Review Report, the Geological and Engineering Division reviewed 83 leases covering approximately 16,095 acres for lease maintenance and development.

II. BOARD REVIEW

1. There were no State Lease items to bring before the Board today.

III. FORCE MAJEURE

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

b) NOMINATION AND TRACT REPORT
July 10, 2024
(Resolution Nos. 24-07-001 through 24-07-002)

The Board heard the report of Mr. Greg Roberts on Wednesday, July 10, 2024, relative to nominations received in the Office of Mineral Resources for the September 11, 2024 Mineral Lease Sale and other matters.

Based upon Staff's recommendation, and on motion of Mr. Shepherd, duly seconded by Mr. Gray, 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. 24-07-001)**

On another matter, Mr. Greg Roberts informed the Board that pursuant to R.S. 30:215, non-exclusive seismic fees are to be set annually to conduct seismic, geophysical and geological surveys. The staff recommended that the State Mineral and Energy Board set a fee of \$15.00 per acre, or \$1,000.00 whichever is greater, for the nonexclusive seismic permits on state-owned lands and water bottoms or land and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission; that the State Mineral and Energy Board set a fee of \$200.00 per line mile, or \$1,000.00, whichever is greater, for 2D seismic permits on either state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission. On motion Mr. Hollenshead, duly seconded by Mr. Arceneaux, the board voted unanimously to set such fee. **(Resolution 24-07-002)**

c) AUDIT REPORT
July 10, 2024
(Resolution No. 24-07-003)

The first matter on the audit report was the election of the July 2024 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.

Upon motion of Mr. Hollenshead, seconded by Secretary Gray, the Board voted unanimously to acknowledge and approve the election of the July 2024 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. 24-07-003)**

d) LEGAL & TITLE CONTROVERSY REPORT

**July 10, 2024
(Resolution No. 24-07-004)**

The State Mineral and Energy Board (Board) considered a request by Energy Limited Partners, L.L.C. and IOS Energy Services, LLC to temporarily remove state owned land from commerce while the Board considers an Operating Agreement on land located within the Empire Field in Plaquemines Parish, Louisiana.

Staff recommended that the Board grant the staff authority to negotiate for an Operating Agreement and to temporarily remove the subject land from commerce.

After lengthy discussion, and upon motion of Mr. Hollenshead, seconded by Mr. Moncla, the Board voted unanimously to grant the staff authority to negotiate with Energy Limited Partners, L.L.C. and IOS Energy Services, LLC for an Operating Agreement and to temporarily remove state owned land from commerce located within the Empire Field in Plaquemines Parish, Louisiana. There were no comments from the public on this matter. **(Resolution No. 24-07-004)**

e) DOCKET REVIEW REPORT
July 10, 2024
(Resolution No(s). 24-007-005 through 24-07-008)

The Board heard the report from Greg Roberts on Wednesday, July 10, 2024, relative to the following:

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

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

- Category B: State Lease Transfers
Docket Item Nos. 1 through 4
(Resolution Nos. 24-07-005 through 24-07-008)

VI. 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. Moncla, and a roll call of the Board Members, the Board went into Executive Session at 10:28 a.m.

Upon motion of Mr. Arceneaux, seconded by Secretary Gray, and a roll call of the Board Members, the Board reconvened in open session at 10:51 p.m. for consideration of the following matters discussed in Executive Session:

- a. Technical Briefing on Bids

VII. AWARDING OF LEASES

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

Staff reported that there were eleven (11) single bids received on the eleven (11) tracts up for bid at today's lease sale.

Staff recommends accepting all eleven (11) bids received on the tracts at today's lease sale.

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

Tract 45814 (Entire: 82.000 acres)

Bidder	:	Border Exploration, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$12,300.00
Annual Rental	:	\$6,150.00
Royalties	:	20% on oil and gas
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Additional Consideration	:	None

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(Portion: 216.826 acres)

Bidders	:	Gray Production Company
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Regular Meeting
July 10, 2024
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(Entire: 147.0183 acres)

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Annual Rental	:	\$275,659.31
Royalties	:	26.2% on oil and gas
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Additional Consideration	:	None

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(Entire: 1.0168 gross acres / .5084 net acres)

Bidder	:	Cypress Energy Partners, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$1,601.46
Annual Rental	:	\$800.73
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 45828
(Entire: 0.480acres)

Bidder	:	Bayougoula Resources, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$400.00
Annual Rental	:	\$200.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	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.

VIII. NEW BUSINESS

There was no new business.

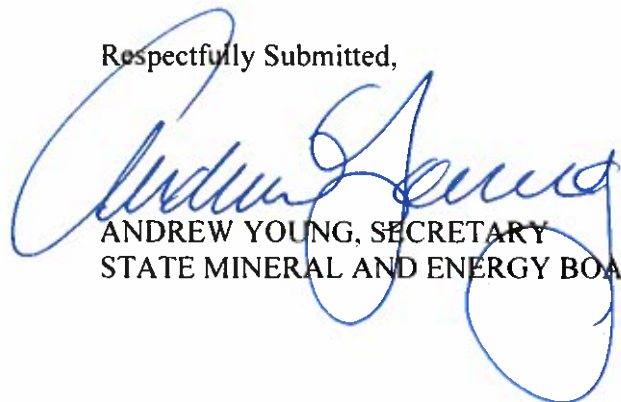
IX. ANNOUNCEMENTS

Mr. Andrew Young, Assistant Secretary of the Office of Mineral Resources and Secretary to the State Mineral and Energy Board, stated that the leases awarded totaled \$1,598,668.42 for the July 10, 2024 Lease Sale bringing the fiscal year-to-date total to \$1,598,668.42.

X. ADJOURNMENT

The Chairman then stated that there being no further business to come before the Board, upon motion of Mr. Hollenshead, seconded by Secretary Gray, the meeting was adjourned at 10:55 a.m.

Respectfully Submitted,



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #24-07-001

Authority to Advertise
Tracts for the September
11, 2024 Lease Sale

(NOMINATION AND TRACT REPORT)

WHEREAS, Mr. Greg Roberts reported that fourteen (14) tracts were nominated for the September 11, 2024 Mineral Lease Sale, and requested that same be advertised pending staff review;

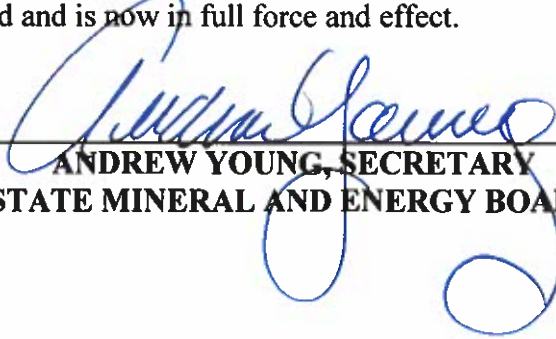
ON MOTION of Mr. Shepherd, seconded by Mr. Gray, the following recommendation was offered and unanimously adopted by the Board after discussion and careful consideration:

That the State Mineral and Energy Board grant approval to advertise all such tract(s) for the September 11, 2024 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 10th day of July, 2024, 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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #24-07-002

Non-Exclusive
Seismic Permit Fees

(NOMINATION AND TRACT REPORT)

WHEREAS, La. R.S. 30:215 requires that the State Mineral and Energy Board (Board) at least annually set a per acre fee to be paid for non-exclusive permits to conduct seismic, geophysical and geological surveys upon state-owned lands and/or water bottoms; and

WHEREAS, La. R.S. 30:215 further requires that this fee be set based upon market value and fixed in a per acre amount of no more than Thirty (\$30.00) Dollars and no less than Five (\$5.00) Dollars; and

WHEREAS, the Board last met on July 12, 2023 for the purpose of setting the per acre fee to be paid for such permits; and

WHEREAS, the Board now is required to again set the per acre fee for such permits; and

WHEREAS, the Staff of the Office of Mineral Resources (OMR) has received and reviewed all information available for determining the fair market value for such permits; and

WHEREAS, OMR Staff offered the following recommendation for such fees for consideration by the Nomination and Tract Committee:

That the State Mineral and Energy Board herein and hereby set a fee of \$15.00 per acre, or \$1000.00, whichever is greater, for the non-exclusive seismic permit on state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission; that the State Mineral and Energy Board set a fee of \$200.00 per line mile, or \$1000.00, whichever is greater, for 2D seismic permits on either state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of Wildlife and Fisheries Commission.

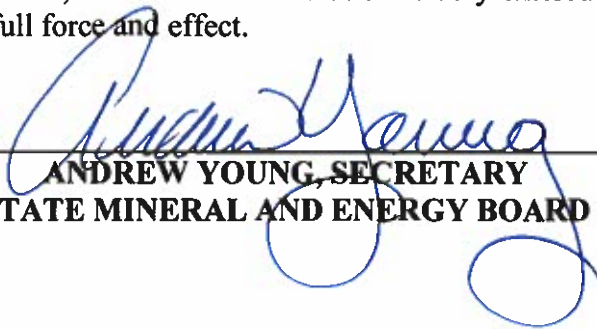
ON MOTION of Mr. Hollenshead, seconded by Mr. Arceneaux, after discussion and careful consideration, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED:

That the State Mineral and Energy Board set a fee of \$15.00 per acre, or \$1,000.00, whichever is greater, for the non-exclusive seismic permit on state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission; that the State Mineral and Energy Board set a fee of \$200.00 per line mile, or \$1,000.00, whichever is greater, for the 2D seismic permits on either state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of July, 2024 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Re: State Texaco
Global Settlement
Agreement

RESOLUTION #24-07-003

(AUDIT REPORT)

WHEREAS, Staff reported to the Board that the election of the July 2024 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. Hollenshead, seconded by Secretary Gray, 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 July 2024 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 10th day of July, 2024 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

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #24-07-004

(LEGAL & TITLE CONTROVERSY REPORT)

Energy Limited Partners, L.L.C. & IOS Energy Services, LLC request to temporarily remove state owned land from commerce while SMEB considers Operating Agreement on land located within Empire Field, Plaquemines Parish, LA.

WHEREAS, the State Mineral and Energy Board received a request from Energy Limited Partners, L.L.C. and IOS Energy Services, LLC to temporarily remove state owned land from commerce while the State Mineral and Energy Board (Board) considers an Operating Agreement on land located within the Empire Field in Plaquemines Parish, Louisiana; and

WHEREAS, in response to this request, OMR Staff offered the following recommendation for consideration by the Board:

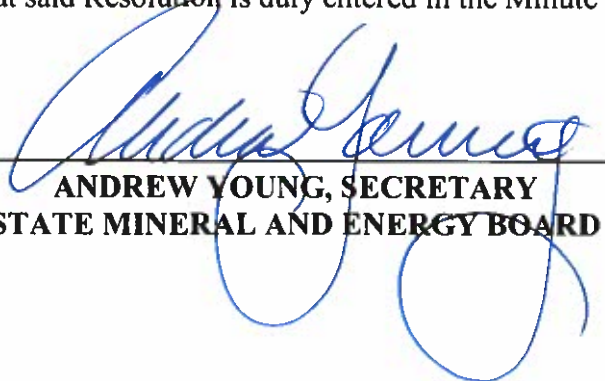
That the Board grant the Staff authority to negotiate for an Operating Agreement and to temporarily remove the subject land from commerce.

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

NOW THEREFORE, BE IT RESOLVED that the Board hereby accepts Staff's recommendation to grant the Staff authority to negotiate for an Operating Agreement with Energy Limited Partners, L.L.C. and IOS Energy Services, LLC and to temporarily remove state owned land located within the Empire Field in Plaquemines Parish, Louisiana.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of July, 2024 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #24-07-005

(DOCKET)

On motion of Mr. Arceneaux, seconded by Secretary Gray, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the July 10, 2024 meeting be approved, said being an Assignment from Ichor Energy (LA), LLC to OLIPDP II, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 15155, 15202, 15502, 15726 and 16948, Calcasieu Parish, Louisiana, with further particulars being stipulated in the instrument.

OLIPDP II, 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 10th day of July, 2024, 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.



Andrew Young
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #24-07-006 (DOCKET)

On motion of Mr. Arceneaux, seconded by Secretary Gray, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the July 10, 2024 meeting be approved, said being a Wellbore Assignment from SWN Production (Louisiana), LLC to Silver Creek Exploration III, LLC, of all of Assignor's right, title and interest in and to State Lease No. 19765, Bossier, Caddo and Red River Parishes, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers the wellbores of the CASON 11-2, 1-ALT, CASON 11-2 2-ALT and CASON 11-2 3-ALT wells, with further particulars being stipulated in the instrument.

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

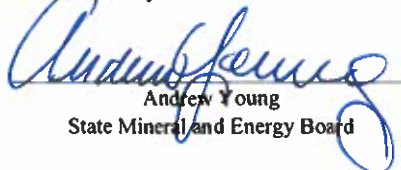
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 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 10th day of July, 2024, 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.


Andrew Young
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #24-07-007

(DOCKET)

On motion of Mr. Arceneaux, seconded by Secretary Gray, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the July 10, 2024 meeting be approved, said instrument being a Correction of Resolution No. 24-05-006 from the May 8, 2024 Docket, being an Assignment from Chesapeake Louisiana, LP. And Chesapeake Plains, LLC to BPX Operating Company, whereas said resolution incorrectly read... "in and to State Lease No 9835" and is hereby being corrected to read... "in and to State Lease No. 19835", Red River 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 July, 2024 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.



Andrew Young
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #24-07-008 (DOCKET)

On motion of Mr. Arceneaux, seconded by Secretary Gray, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the July 10, 2024 meeting be approved, said being an Assignment from Trimont Energy (GIB), LLC to Spectrum AR, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 214 and 1393, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Spectrum AR, 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;

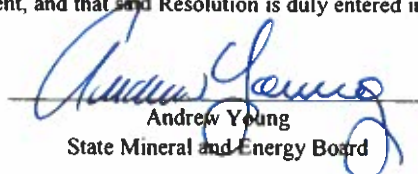
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 10th day of July, 2024, 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.


Andrew Young
State Mineral and Energy Board