

MINUTES

STATE MINERAL AND ENERGY BOARD

REGULAR MEETING AND LEASE SALE

DECEMBER 14, 2011

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on Wednesday, December 14, 2011, beginning at 11:00 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

Mr. W. Paul Segura, Jr., acting as Chairman, called the meeting to order. He then requested Ms. Stacey Talley, Deputy Assistant Secretary, to call the roll for the purpose of establishing a quorum.

W. Paul Segura, Jr., Vice-Chairman
Thomas L. Arnold, Jr.
Emile B. Cordaro
Darryl D. Smith
Helen G. Smith
Robert Harper, DNR Undersecretary (sitting in for Chairman Scott A. Angelle)
Chip Kline (sitting in for Garret Graves, Governor Jindal's designee to the Board)

The following members of the Board were recorded as absent:

Scott A. Angelle, Chairman
John C. "Juba" Diez
Bay E. Ingram
Robert "Michael" Morton
Thomas W. Sanders

Ms. Talley announced that seven (7) members of the Board were present and that a quorum was established.

Also recorded as present were:

Victor Vaughn, Geologist Administrator-Geological & Engineering Division, and
Executive Officer to the State Mineral and Energy Board
Stacey Talley, Deputy Assistant Secretary of the Office of Mineral Resources
Frederick Heck, Director-Petroleum Lands Division
Rachel Newman, Director-Mineral Income Division
Emile Fontenot, Assistant Director-Petroleum Lands Division
April Duhe, Attorney, OMR Executive Division
Isaac Jackson, DNR General Counsel
Ryan Seidemann, Assistant Attorney General
Jackson Logan, Assistant Attorney General

The Chairman then stated that the next order of business was the approval of the November 9, 2011 Minutes. A motion was made by Mr. Arnold to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Ms. Smith and unanimously adopted by the Board. (No public comment was made at this time.)

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

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

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

The Chairman then announced that the Board would recess its regular meeting at 11:05 a.m. and go into executive session for technical briefing in order to consider matters before the Board which were confidential in nature. A motion was made by Ms. Smith, seconded by Mr. Kline, and unanimously adopted by the Board.

During the technical briefing, the Board conferred with staff personnel concerning the merit of the bids that were submitted and opened earlier today at a public meeting*, based on geological, engineering and other confidential data and analyses available to the Board and staff, after which, upon motion of Mr. Smith, seconded by Mr. Cordaro, and unanimously adopted by the Board, the Board reconvened in open session at 12:20 p.m.

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

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

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42372 for improper check. **(Note: An oral bid was submitted and subsequently awarded on this tract. Refer to the end of the awarding of the leases.)**

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42375 for improper check. **(Note: An oral bid was submitted and subsequently awarded on this tract. Refer to the end of the awarding of the leases.)**

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42378 for improper check. **(Note: An oral bid was submitted and subsequently awarded on this tract. Refer to the end of the awarding of the leases.)**

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42379, said portion being 407.79 acres more particularly described in said bid and outlined on accompanying plat, to K-Exploration Co. As to the bid by Schoeffler Energy Group, Inc., the bid was rejected for improper check.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42382 for improper check. **(Note: An oral bid was submitted and subsequently awarded on this tract. Refer to the end of the awarding of the leases.)**

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42383 for improper check. **(Note: An oral bid was submitted and subsequently awarded on this tract. Refer to the end of the awarding of the leases.)**

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42384 for improper check. **(Note: An oral bid was submitted and subsequently awarded on this tract. Refer to the end of the awarding of the leases.)**

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42385 to Southern Title & Abstract Co., Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42386, said portion being 1,057.123 acres more particularly described in said bid and outlined on accompanying plat, to Delta Land & Title, L.L.C.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on another portion of Tract 42386, said portion being 144.101 acres more particularly described in said bid and outlined on accompanying plat, to Delta Land & Title, L.L.C. As to the bid by Southern Title & Abstract Co., Inc., the bid overlapped the bids by Delta Land & Title, L.L.C. Therefore, Southern Title & Abstract Co., Inc., after the property descriptions were finalized, was granted the option to take the lease on the property which it bid at its bid price, less and except the overlapped areas which were in the bids by Delta Land & Title, L.L.C.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42387, said portion being 551.057 acres more particularly described in said bid and outlined on accompanying plat, to Delta Land & Title, L.L.C. As to the bid by Southern Title & Abstract Co., Inc., the bid overlapped the bid by Delta Land & Title, L.L.C. Therefore, Southern Title & Abstract Co., Inc., after the property descriptions were finalized, was granted the option to take the lease on the property which it bid at its bid price, less and except the overlapped area which was in the bid containing 551.057 acres by Delta Land & Title, L.L.C.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42388 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42391 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42392 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42393 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42394 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42395 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42396 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42397 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42398 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42399 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42400 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42401 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42402 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42403 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42404 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42405 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42406 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42408 to MRC Energy Company.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42409 to MRC Energy Company.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42412 to Bellard & Company, INC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42413 to Bellard & Company, INC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42414 to Bellard & Company, INC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42416, said portion being 568.0 acres more particularly described in said bid and outlined on accompanying plat, to Westgrove Energy Holdings, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42418 to Swift Energy Operating, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42419 to Swift Energy Operating, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42421 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42422 to Blue Energy, Ltd.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42423 to Patrick L. Donohue Petroleum Properties, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42424 to Silso Oil Corporation.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42425 to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42426 to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42427 to Theophilus Oil, Gas & Land Services, LLC.

At this time, the Chairman entertained a motion to extend the agenda to include oral bidding from the floor regarding Tract No. 42372 because the bid was rejected due to improper check. A motion was made by Mr. Arnold, seconded by Ms. Smith, and unanimously adopted by the Board. (No public comment was made at this time.)

Ms. Lara Warren representing Schoeffler Energy Group and Mr. Pat Theophilus, Owner/President of Theophilus Oil, Gas & Land Services came forward and offered the following:

Tract 42372

Bidder	:	Schoeffler Energy Group, Inc.
Primary Term	:	Five (5) years
Cash Payment	:	\$347,542.00
Price per acre	:	\$200.00
Annual Rental	:	\$173,771.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None.

There being no other bidders on this tract, upon motion of Mr. Arnold, seconded by Ms. Smith, and based on staff's recommendation, the Board voted unanimously to award a lease on Tract 42372 to Schoeffler Energy Group, Inc.

The Chairman again entertained a motion to extend the agenda to include oral bidding from the floor regarding Tract No. 42375 because the bid was rejected due to improper check. A motion was made by Mr. Arnold, seconded by Mr. Cordaro, and unanimously adopted by the Board. (No public comment was made at this time.)

Ms. Lara Warren representing Schoeffler Energy Group and Mr. Pat Theophilus, Owner/President of Theophilus Oil, Gas & Land Services offered the following:

Tract 42375

Bidder	:	Schoeffler Energy Group, Inc.
Primary Term	:	Five (5) years
Cash Payment	:	\$316,820.25
Price per acre	:	\$225.00
Annual Rental	:	\$158,410.13
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

There being no other bidders on this tract, upon motion of Mr. Arnold, seconded by Mr. Smith, and based on staff's recommendation, the Board voted unanimously to award a lease on Tract 42375 to Schoeffler Energy Group, Inc.

The Chairman again entertained a motion to extend the agenda to include oral bidding from the floor regarding Tract No. 42378 because the bid was rejected due to improper check. A motion was made by Mr. Arnold, seconded by Ms. Smith, and unanimously adopted by the Board. (No public comment was made at this time.)

Ms. Lara Warren representing Schoeffler Energy Group and Mr. Pat Theophilus, Owner/President of Theophilus Oil, Gas & Land Services offered the following:

Tract 42378

Bidder	:	Schoeffler Energy Group, Inc.
Primary Term	:	Five (5) years
Cash Payment	:	\$192,919.50
Price per acre	:	\$150.00
Annual Rental	:	\$96,459.75
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

There being no other bidders on this tract, upon motion of Ms. Smith, seconded by Mr. Arnold, and based on staff's recommendation, the Board voted unanimously to award a lease on Tract 42378 to Schoeffler Energy Group, Inc.

The Chairman again entertained a motion to extend the agenda to include oral bidding from the floor regarding Tract No. 42382 because the bid was rejected due to improper check. A motion was made by Mr. Arnold, seconded by Ms. Smith, and unanimously adopted by the Board. (No public comment was made at this time.)

Ms. Lara Warren representing Schoeffler Energy Group and Mr. Pat Theophilus, Owner/President of Theophilus Oil, Gas & Land Services offered the following:

Tract 42382

Bidder	:	Schoeffler Energy Group, Inc.
Primary Term	:	Five (5) years
Cash Payment	:	\$217,353.00
Price per acre	:	\$300.00
Annual Rental	:	\$108,676.50
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

There being no other bidders on this tract, upon motion of Ms. Smith, seconded by Mr. Kline, and based on staff's recommendation, the Board voted unanimously to award a lease on Tract 42382 to Schoeffler Energy Group, Inc.

The Chairman again entertained a motion to extend the agenda to include oral bidding from the floor regarding Tract No. 42383 because the bid was rejected due to improper check. A motion was made by Mr. Arnold, seconded by Mr. Cordaro, and unanimously adopted by the Board. (No public comment was made at this time.)

Ms. Lara Warren representing Schoeffler Energy Group and Mr. Pat Theophilus, Owner/President of Theophilus Oil, Gas & Land Services offered the following:

Tract 42383

Bidder	:	Schoeffler Energy Group, Inc.
Primary Term	:	Five (5) years
Cash Payment	:	\$82,260.00
Price per acre	:	\$300.00
Annual Rental	:	\$41,130.00
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

There being no other bidders on this tract, upon motion of Mr. Kline, seconded by Mr. Arnold, and based on staff's recommendation, the Board voted unanimously to award a lease on Tract 42383 to Schoeffler Energy Group, Inc.

The Chairman again entertained a motion to extend the agenda to include oral bidding from the floor regarding Tract No. 42384 because the bid was rejected due to improper check. A motion was made by Mr. Arnold, seconded by Mr. Smith, and unanimously adopted by the Board. (No public comment was made at this time.)

Ms. Lara Warren representing Schoeffler Energy Group and Mr. Pat Theophilus, Owner/President of Theophilus Oil, Gas & Land Services offered the following:

Tract 42384

Bidder	:	Schoeffler Energy Group, Inc.
Primary Term	:	Five (5) years
Cash Payment	:	\$168,714.00
Price per acre	:	\$200.00
Annual Rental	:	\$84,357.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

There being no other bidders on this tract, upon motion of Ms. Smith, seconded by Mr. Kline, and based on staff's recommendation, the Board voted unanimously to award a lease on Tract 42384 to Schoeffler Energy Group, Inc.

This concluded the awarding of the leases.

The following announcements were then made:

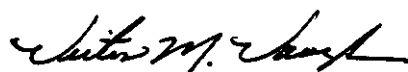
Ms. Talley stated that "the results of today's Lease Sale in total bonuses were \$4,195,727.58 which brought the fiscal year-to-date total to approximately \$16.2 million dollars.

Also, next month's Board meeting is on January 11th. Please note that Monday, January 9th is a state holiday in the City of Baton Rouge and the office will be closed. Bids will not be able to be delivered that day. The bid deadline will still be noon on Tuesday, January 10th."

The Chairman then wished everyone present a happy holiday and Merry Christmas.

The Chairman then stated there being no further business to come before the Board, upon motion of Ms. Smith, seconded by Mr. Smith, the meeting was adjourned at 12:50 p.m.

Respectfully submitted,



Victor M. Vaughn
Executive Officer
State Mineral and Energy Board

**THE FOLLOWING BID OPENING MEETING REPORT,
COMMITTEE REPORTS AND RESOLUTIONS
WERE MADE A PART OF THE DECEMBER 14, 2011 MINUTES
BY REFERENCE**

A public meeting for the purpose of opening sealed bids was held on Wednesday, December 14, 2011, beginning at 8:30 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

Thomas L. Arnold, Jr., Mineral and Energy Board member

Victor Vaughn, Geologist Administrator-Geological & Engineering Division, and
Executive Officer to the State Mineral and Energy Board

Stacey Talley, Deputy Assistant Secretary of the Office of Mineral Resources

Frederick Heck, Director-Petroleum Lands Division

Rachel Newman, Director-Mineral Income Division

Emile Fontenot, Assistant Director-Petroleum Lands Division

April Duhe, Attorney, OMR Executive Division

Isaac Jackson, DNR General Counsel

Jackson Logan, Assistant Attorney General

Mr. Victor Vaughn presided over the meeting. He then read the letter of notification certifying the legal sufficiency of the advertisement of tracts which had been published for lease by the Board at today's sale. Mr. Vaughn read the letter as follows:

December 14, 2011

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

Gentlemen:

Certified proofs of publication have been received in the Office of Mineral Resources on behalf of the State Mineral and Energy Board for the State of Louisiana from the "Advocate," official journal for the State of Louisiana, and from the respective parish journals as evidence that Tract Nos. 42371 through 42427, have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended.

Yours very truly,

(Original signed)

Frederick D. Heck
Director
Petroleum Lands Division

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

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

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

OFFSHORE TRACTS

Tract 42371

No Bids

Tract 42372

Bidder	:	Schoeffler Energy Group, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$347,542.00
Annual Rental	:	\$173,771.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 42373

No Bids

Tract 42374

No Bids

Tract 42375

Bidder	:	Schoeffler Energy Group, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$316,820.25
Annual Rental	:	\$158,410.13
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

December 14, 2011

3

Tract 42376

No Bids

Tract 42377

No Bids

Tract 42378

Bidder	:	Schoeffler Energy Group, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$192,919.50
Annual Rental	:	\$96,459.75
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 42379
(Portion – 407.79 acres)

Bidder	:	K-Exploration Co.
Primary Term	:	Five (5) years
Cash Payment	:	\$106,840.98
Annual Rental	:	\$53,420.49
Royalties	:	21.5% on oil and gas
	:	21.5% on other minerals
Additional Consideration	:	None

Tract 42379

Bidder	:	Schoeffler Energy Group, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$224,676.00
Annual Rental	:	\$112,338.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 42380

No Bids

Tract 42381

No Bids

Tract 42382

Bidder	:	Schoeffler Energy Group, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$217,353.00
Annual Rental	:	\$108,676.50
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

Tract 42383

Bidder	:	Schoeffler Energy Group, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$82,260.00
Annual Rental	:	\$41,130.00
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

Tract 42384

Bidder	:	Schoeffler Energy Group, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$168,714.00
Annual Rental	:	\$84,357.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 42385

Bidder	:	Southern Title & Abstract Co., Inc.
Primary Term	:	Five (5) years
Cash Payment	:	\$687,240.00
Annual Rental	:	\$343,620.00
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

Tract 42385

(Portion – 237.623 acres)

Bidder	:	Delta Land & Title, L.L.C.
Primary Term	:	Five (5) years
Cash Payment	:	\$130,692.65
Annual Rental	:	\$65,346.33
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

Tract 42386

(Portion – 1057.123 acres)

Bidder	:	Delta Land & Title, L.L.C.
Primary Term	:	Five (5) years
Cash Payment	:	\$581,417.65
Annual Rental	:	\$290,708.83
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

Tract 42386

(Portion – 144.101 acres)

Bidder	:	Delta Land & Title, L.L.C.
Primary Term	:	Five (5) years
Cash Payment	:	\$79,255.55
Annual Rental	:	\$39,627.78
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

Tract 42386

Bidder	:	Southern Title & Abstract Co., Inc.
Primary Term	:	Five (5) years
Cash Payment	:	\$547,752.36
Annual Rental	:	\$273,876.18
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

Tract 42387
(Portion – 551.057 acres)

Bidder	:	Delta Land & Title, L.L.C.
Primary Term	:	Five (5) years
Cash Payment	:	\$303,081.35
Annual Rental	:	\$151,540.68
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

Tract 42387

Bidder	:	Southern Title & Abstract Co., Inc.
Primary Term	:	Five (5) years
Cash Payment	:	\$365,857.32
Annual Rental	:	\$182,928.66
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

INLAND TRACTS

Tract 42388

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$1,450.00
Annual Rental	:	\$725.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42389

No Bids

Tract 42390

No Bids

Tract 42391

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$15,000.00
Annual Rental	:	\$7,500.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42392

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$20,500.00
Annual Rental	:	\$10,250.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42393

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$10,700.00
Annual Rental	:	\$5,350.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42394

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$5,000.00
Annual Rental	:	\$2,500.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42395

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$1,700.00
Annual Rental	:	\$850.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42396

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$7,250.00
Annual Rental	:	\$3,625.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42397

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$3,675.00
Annual Rental	:	\$1,837.50
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42398

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$6,625.00
Annual Rental	:	\$3,312.50
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42399

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$7,450.00
Annual Rental	:	\$3,725.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42400

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$3,000.00
Annual Rental	:	\$1,500.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42401

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$2,000.00
Annual Rental	:	\$1,000.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42402

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$7,750.00
Annual Rental	:	\$3,875.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42403

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$5,875.00
Annual Rental	:	\$2,937.50
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42404

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$4,000.00
Annual Rental	:	\$2,000.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42405

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$13,625.00
Annual Rental	:	\$6,812.50
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42406

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$1,700.00
Annual Rental	:	\$850.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42407

No Bids

Tract 42408

Bidder	:	MRC Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$63,140.00
Annual Rental	:	\$31,570.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42408

Bidder	:	EXCO Operating Company, LP
Primary Term	:	Three (3) years
Cash Payment	:	\$25,000.00
Annual Rental	:	\$12,500.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42409

Bidder	:	MRC Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$41,100.00
Annual Rental	:	\$20,550.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42409

Bidder	:	Classic Petroleum, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$35,670.00
Annual Rental	:	\$17,835.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

Tract 42410

No Bids

Tract 42411

No Bids

Tract 42412

Bidder	:	Bellard & Company, INC.
Primary Term	:	Three (3) years
Cash Payment	:	\$253.00
Annual Rental	:	\$126.50
Royalties	:	25.5% on oil and gas
	:	25.5% on other minerals
Additional Consideration	:	None

Tract 42412

Bidder	:	Arceneaux Land Services, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$303.00
Annual Rental	:	\$151.50
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42413

Bidder	:	Bellard & Company, INC.
Primary Term	:	Three (3) years
Cash Payment	:	\$22,770.00
Annual Rental	:	\$11,385.00
Royalties	:	25.5% on oil and gas
	:	25.5% on other minerals
Additional Consideration	:	None

Tract 42413

Bidder	:	Arceneaux Land Services, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$27,270.00
Annual Rental	:	\$13,635.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42414

Bidder	:	Bellard & Company, INC.
Primary Term	:	Three (3) years
Cash Payment	:	\$2,530.00
Annual Rental	:	\$1,265.00
Royalties	:	25.5% on oil and gas
	:	25.5% on other minerals
Additional Consideration	:	None

Tract 42414

Bidder	:	Arceneaux Land Services, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$3,030.00
Annual Rental	:	\$1,515.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42415

No Bids

Tract 42416
(Portion – 568.0 acres)

Bidder	:	Westgrove Energy Holdings, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$128,936.00
Annual Rental	:	\$64,468.00
Royalties	:	21.00% on oil and gas
	:	21.00% on other minerals
Additional Consideration	:	10% Fee-\$12,893.60 \$20.00 per Acre=\$11,360.00

Tract 42417

No Bids

Tract 42418

Bidder	:	Swift Energy Operating, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$153,117.00
Annual Rental	:	\$76,558.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42419

Bidder	:	Swift Energy Operating, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$65,826.00
Annual Rental	:	\$32,913.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42420

No Bids

STATE AGENCY TRACTS

Tract 42421

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$10,875.00
Annual Rental	:	\$5,437.50
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42422

Bidder	:	Blue Energy, Ltd.
Primary Term	:	Three (3) years
Cash Payment	:	\$591,152.86
Annual Rental	:	\$295,576.43
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42423

Bidder	:	Patrick L. Donohue Petroleum Properties, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$3,250.00
Annual Rental	:	\$1,625.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42424

Bidder	:	Silso Oil Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$9,078.03
Annual Rental	:	\$9,078.03
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42425

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$130.41
Annual Rental	:	\$65.21
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

TAX ADJUDICATED LANDS TRACTS

Tract 42426

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$6,200.00
Annual Rental	:	\$3,100.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42427

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$24,800.00
Annual Rental	:	\$12,400.00
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 meeting was concluded at 9:30 a.m.

Respectfully submitted,



Victor M. Vaughn
Executive Officer
State Mineral and Energy Board



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

A meeting of the Lease Review Committee of the State Mineral and Energy Board convened on Wednesday, December 14, 2011 at 9:45 a.m. with the following members of the board in attendance: Mr. Thomas L. Arnold, Jr., Mr. Emile B. Cordaro, Mr. Darryl D. Smith, Ms. Helen G. Smith, Mr. Paul Segura, Jr., Mr. Robert D. Harper, sitting in for DNR Secretary Scott A. Angelle and Mr. Chip Kline (sitting in for Garrett Graves, Governor Jindal's designee to the State Mineral and Energy Board).

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

I. Geological and Engineering Staff Review

According to SONRIS there are 1869 active State Leases covering nearly 842,000 acres. The Geological and Engineering Division has reviewed approximately 160 leases covering 72,000 acres.

II. Committee Review

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

The recommendation was that by March 14, 2012, Hilcorp provide a status update on their efforts to prepare and execute the release of additional acreage on State Lease 328-A and by June 13, 2012 Hilcorp submit a status update on the new field study.

2. A staff report on **State Leases 1450, 1451 and 1480** Lake Raccourci Field located in Terrebonne and Lafourche Parishes. ExxonMobil Corporation is the lessee.

The recommendation was to accept ExxonMobil's report and to grant ExxonMobil until March 14, 2012 to report on the finalization of the farmout agreement.

3. A staff report on **State Lease 173**, Caddo Pine Island Field located in Caddo Parish. Gemini Explorations and RockWell Petroleum, Inc. are the lessees.

The recommendation was that by April 11, 2012 RockWell is to report on the drilling of the next well in the Annona Chaulk and that Gemini is to provide an update on the conditions of Caddo Lake that would allow for the return of Plug and Abandon operations.

Mr. Charles Bradbury, Petroleum Engineer, presented items III and IV.

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

Pursuant to the Mineral and Energy Board resolution dated March 10, 2010, the staff qualified the HA RA SUGG; Dupree 24H Well No. 1, Serial Number 242545, in Gahagan Field to allow MRC Energy Company to make one six month shut-in payment on a portion of State Lease 20157 beginning October 14, 2011 while pipeline construction is being completed.

IV. Report on Force Majeure

1. Recognize a force majeure condition beginning September 8, 2011 for WLE, Inc. affecting State Lease 12608 caused by low water in Crocodile Bayou preventing oil barges from reaching facility so that WLE can sell oil now that the tanks are full.
2. Recognize a force majeure condition beginning December 10, 2011 for Bay Gas, L.L.C. affecting State Lease 19930 caused by rising river water levels in the Mississippi River preventing the safe continuous access to the proposed drilling location.
3. Mr. Bradbury advised that force majeure status for Apache affecting State Lease 19957 is no longer necessary because the well was spudded in accordance with the lease terms. Board action is not required on this item.
4. Extend force majeure recognition for IG Petroleum by 3 months to the March 14, 2012 Board Meeting to re-establish production or complete pipeline negotiations affecting Operating Agreement A0232.

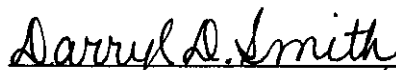
Updated 12/14/2011

Company Name	Lease Numbers
Leases Off Production Due to Non-storm Related Force Majeure Events	
Bay Gas LLC	19930
IG Petroleum	A0232
Harvest	A0311
Stone Energy	10830, 15074, 17309, 17595, A0285
WLE, Inc.	12608

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

On motion by Ms. Smith, seconded by Mr. Arnold, the Committee moved to adjourn its December 14, 2011 meeting at 10:00 a.m.

Respectfully submitted,


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

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEASE REVIEW COMMITTEE

On motion by Mr. Arnold, seconded by Mr. Segura, the following resolution was offered and adopted:

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

WHEREAS, a request was made by WLE, Inc.(herein WLE) to recognize that a force majeure condition exists for State Lease 12608 in Saint Martin Parish, Louisiana due to low water in the Atchafalaya basin preventing access to the production facility affecting the lease beginning September 8, 2011;

WHEREAS, State Lease 12608 includes a "Force Majeure" provision which allows the Operator to maintain these leases without complying with the actual drilling or reworking operations or by actual production requirements for as long as the force majeure is in effect;

WHEREAS, WLE states that the oil purchaser is no longer able to access the production facility to sell oil due to low water as of September 8, 2011;

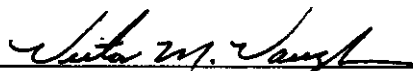
WHEREAS, Jamell Estis, Secretary/Treasurer of WLE, Inc., submitted a notarized affidavit on behalf of WLE, which stated that the activities and/or fortuitous events which caused the force majeure was beyond the control, not the cause, and/or due to said company and/or business entity's negligence or intentional commission or omission;

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

NOW THEREFORE BE IT RESOLVED that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby recognize and acknowledge the force majeure event beginning September 8, 2011 until such time as the Atchafalaya basin waters rise to a sufficient level such that WLE may access the location to re-establish production and oil sales on State Lease 12608, Saint Martin Parish, Louisiana. Once production operations begin WLE shall maintain the lease in accordance with the normal language in the lease concerning continuing operations and production. Furthermore, the Board requires that WLE in a due diligent manner, mitigate, or negate the effect of future events and make timely notification of any future events to the Mineral and Energy Board's staff of said activities which cause the force majeure.

CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEASE REVIEW COMMITTEE

On motion by Mr. Arnold, seconded by Mr. Segura, the following resolution was offered and adopted:

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

WHEREAS, a request was made by Bay Gas LLC (herein Bay Gas) to recognize that a force majeure condition existed for State Lease 19930 in Concordia Parish, Louisiana due to rising waters from the Mississippi river preventing access to the drillsite affecting the lease beginning December 10, 2011;

WHEREAS, State Lease 19930 includes a "Force Majeure" provision which allows the Operator to maintain these leases without complying with the actual drilling or reworking operations or by actual production requirements for as long as the force majeure is in effect;

WHEREAS, Bay Gas is no longer able to access the acreage to initiate drilling operations on the lease by the lease anniversary date, December 10, 2011;


WHEREAS, Jerry P. Ogden, President of Day Dreams Resources, LLC, the rig operator, submitted a notarized affidavit on behalf of Bay Gas, which stated that the activities and/or fortuitous events which caused the force majeure was beyond the control, not the cause, and/or due to said company and/or business entity's negligence or intentional commission or omission;

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

NOW THEREFORE BE IT RESOLVED that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby recognize and acknowledge the force majeure event beginning December 10, 2011 until such time as the Mississippi River waters subside and permits Bay Gas to access the location to commence drilling operations on State Lease 19930, Concordia Parish, Louisiana. At which time, Bay Gas will have 90 days to spud and directionally drill to a point where the well crosses the geographic boundary of the VUA. Once drilling operations begin Bay Gas shall maintain the lease in accordance with the normal language in the lease concerning continuing operations and production. Furthermore, the Board requires that Bay Gas in a due diligent manner, mitigate, or negate the effect of future events and make timely notification of any future events to the Mineral and Energy Board's staff of said activities which cause the force majeure.

CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEASE REVIEW COMMITTEE

On motion by Mr. Arnold, seconded by Mr. Segura, the following resolution was offered and adopted:

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

WHEREAS, a request was made by IG Petroleum LLC ("IG Petroleum") to recognize that a force majeure condition exists due a gas pipeline leak forcing IG Petroleum to shut-in Operating Agreement A0232, Plaquemines Parish, Louisiana;

WHEREAS, at the October 13, 2010 meeting, the Board recognized a force majeure event;

WHEREAS, the operating agreement has been held under the force majeure status for a period of one year;

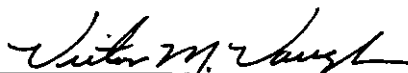
WHEREAS, according to the Mineral and Energy Board policy force majeure period may last no more than 1 year;

WHEREAS, IG Petroleum notified the Board that the conditions of the force majeure had not abated and requested second extension of three additional months to complete negotiations and restore production to Operating Agreement A0232;

NOW THEREFORE BE IT RESOLVED that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby extend recognition of the force majeure event until the March 14, 2012 meeting, or until IG Petroleum re-establishes production whichever condition is met at the earliest date. The Board will reserve its rights to review and reconsider whether additional action is necessary concerning the situation at the March 14, 2012 meeting. Furthermore, the Board requires that IG Petroleum continue in a due diligent manner, mitigate or negate the effect of said activities which caused the force majeure.

CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge Louisiana on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: December 22, 2011 3:04 PM

District Code 1 New Orleans- East

Get Review Date December 14, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
01268		MAIN PASS BLOCK 47	CIB C 1A RA SUA;SL 16664 05/21/2002 1331-E 02-265	1280	1280	DEC AR
01610		ROMERE PASS	RP 6100 RE NVU;ROMERE PASS	125	125	DEC. AR
01927		SOUTH PASS BLOCK 6 , SOUTHEAST PASS	1233.029 01/12/2006	2025.925	2025.925	DEC. AR
01961		MAIN PASS BLOCK 35	MPB35 UM0 RA SU 12/01/1988	1600	2500.39	DEC AR 11/8/11 JMB: REVIEW W 2125 XPLOR LTR DUE 2/8/12
02090		SOUTHEAST PASS	75.133 01/12/2006	400	832.188	DEC. AR 11/17/11 OMR TO APACHE, POD OR REL NP AC BY 1/11/12
02091		SOUTHEAST PASS	233.428 01/12/2006	239.047	239.047	DEC. AR
02125		MAIN PASS BLOCK 35	221990-SL 2125-012 05/24/1998	10.49	389	DEC. AR 10/27/11 OMR GRANTED XPLOR EXTENSION TO 2/8/12 FOR POD >< RCD 10/19/11 XPLOR'S ADD'L TIME REQ - POD BY NOV. 9.2011
02192		LAKE FORTUNA	228542-SL 2192-029 10/14/2003	889.57	889.57	DEC. AR
04901		BALIZE BAYOU , SOUTHEAST PASS	132.707 07/11/2005	59.893	59.893	DEC. AR
05003		SOUTHEAST PASS	100 087 03/06/2006	76.442	76.442	DEC. AR
06706		MAIN PASS BLOCK 74	PUMA RB SUA;SL 6706 08/05/2003 1213-A-2 03-586	624	2624.72	DEC. MTG 12/7/11 @ 9:30 W/STONE POD OR REL OF NP AC MAR. AR
11188		MAIN PASS BLOCK 47	SL 11189	218.821	218.821	DEC. AR
12789		CHANDELEUR SOUND BLOCK 71	17 614 08/19/2003	8 311	8.311	DEC. AR
14216		BRETON SOUND BLOCK 33	228013-VU2;SL 14216- 001 04/19/2003	437.865	437.865	DEC. AR
14560		BRETON SOUND BLOCK 33	221.863 12/03/2001	283.631	283.631	DEC. AR
15536		MAIN PASS BLOCK 21		190	243.69	DEC. AR
15941		QUARANTINE BAY	S-4 VUA;	146.144	146.144	DEC. AR
16158		HALF MOON LAKE	735 12/17/2001	295	295	DEC. AR
16543		BRETON SOUND BLOCK 18	72.63 09/16/2002	20.57	20.57	DEC. AR
16594		BRETON SOUND BLOCK 18	480 07 11/18/2002	18.66	18.66	DEC. AR



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: December 22, 2011 3:04 PM

District Code 1 New Orleans- East
Get Review Date December 14, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
16795		BRETON SOUND BLOCK 33	193.795 09/23/2002	188.205	188.205	DEC. AR
17303		BRETON SOUND BLOCK 16		160	541.52	DEC. 11/16/11 OMR TO HARVEST SUBMIT PLAT OF PRD LIMITS & PLANS BY 1/11/12 > <5/17/11 JMB: CK 6 MOS
17958		BAYOU BILOXI	CRIS I RC SUA;SL 17958 960-A-4	17.675	17.675	DEC. AR
18165		EMPIRE		235	660	DEC. AR 12/15/11 V.BATEMAN WILL SEND VIRGIN EXAMPLE OF SIMPLE PR TO AID THEM. 10/27/11 OMR TO VIRGIN, ACCEPT APPROX 425 AC PR
19065		BAY BOUDREAU	37.099 10/29/2009	94.901	94.901	DEC. AR
19489		MAIN PASS BLOCK 47		477.93	477.93	DEC. AR 11/15/11 OMR ACCEPTED RPT RCD 10/31/11 MARTIN-MARKS OPRTG: SUBMIT BY 11/9/11 PLAT OF PRD LIMITS & FUTURE PLANS. PT 9/12/10 1/21/11 JPT: GIVE THEM A YR PAST PT PRIOR TO REQG PLANS, ETC.
20034		MAIN PASS BLOCK 46		160	495.89	DEC 11/15/11 JPT: 160 PRD AC VIA 227502 & AC HAS BEEN MET JUN. PT 3/11/12 *AC* WELL BY 3/11/12 OR \$49,589 BY 4/11/12
20103		MAIN PASS BLOCK 35		0	40	DEC. 12/15/11 RCD EMAIL RE COIL TUBING OPS ON 227644 11/2/11 CCB ADVISED LEASE HB OPS ON 227644 < REL RQD 9-29-11 9/29/11 RS JMB APP EXP, LAST PRD 4/11.
20160		MAIN PASS BLOCK 49	VUA;SL 19445 04/14/2010	101.23	101.23	DEC. 11/4/11 SSB: 306346 PRDG 8/11, REL RQD IN ERROR. ~- REL RQD 10/26/11 PT 10/14/12
20423		BRETON SOUND BLOCK 53	UV 3B RA VUA;SL 19051 01/12/2011	0	32.13	DEC. 2011 RNTL PD PT 9/8/15
20433				0	209.79	DEC. 2011 RNTL PD PT 9/8/13
20435				0	165.46	DEC. 2011 RNTL PD PT 9/8/13
20436		BRETON SOUND BLOCK 51		160.36	160.36	DEC. 12/21/11 JPT: LEASE 100% HBP 2011 RNTL PD PT 9/8/13
20437				0	118.7	DEC. 2011 RNTL PD PT 9/8/13
20709				0	1.92	DEC 11/17/11 JPT. DIMENSION ENGY HAS APPLIED FOR 10,100 RB UNIT COQUILLE BAY INCLUDING 20709.

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: December 22, 2011 3:04 PM

District Code	1W	New Orleans- West				
Get Review Date	December 14, 2011					
Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00458		STELLA	7500 RA SUA;DELTA MINERALS 5 08/01/1992	40	123	DEC. AR 11/8/11 STEVE CKED = OK 027622
00560		COLLEGE POINT-ST JAMES , ST AMELIA	KARSTEIN RD SUA;E H KARSTEIN 01/28/2003 106-A-5 03-54	263.233	354.728	DEC. AR 11/8/11 STEVE CKED = OK
00799		GRAND ISLE BLOCK 16	259 10/12/2007	2700	3606	DEC 11/29/11 DD APPROVED TO 12/30/12 11/23/11 DDPMT TO STEVE'S DESK
01423		TIMBALIER BAY OFFSHORE	242361-SL 1423-111-D 10/17/2010	259.527	259.527	DEC. AR 11/8/11 STEVE CKED = OK 0242155 8APOD FED/STATE UNIT
01450		LAKE RACCOURCI	48.977 07/15/2011	480	1004.143	DEC. OB RCD EXMOB 11/9/11 LEASE STATUS
01451		LAKE RACCOURCI	30.456 07/15/2011	345	712.224	DEC. OB RCD EXMOB 11/9/11 LEASE STATUS
01480		LAKE RACCOURCI , PLAIN DEALING	265.822 07/15/2011	85	2016.798	DEC. OB RCD EXMOB 11/9/11 LEASE STATUS
01753		LAKE WASHINGTON	VUI;LL&E	392	397.56	DEC. AR 11/8/11 STEVE CKED = OK 7/21/11 JMB: NEW TRNSMTL 242044 050726
01923		SOUTH PASS BLOCK 24	SPB 24 8800 RD SU 09/01/1998	387	430	DEC. AR 11/8/11 STEVE CKED = OK
01972		LITTLE LAKE	BN-4 RA SUA;LL&E J 08/28/2007 604-S 07-938	274	548	DEC. AR 11/8/11 STEVE CKED = OK
02376		LAKE WASHINGTON	LW 21 RA SU 03/01/2006 149-E-4 06-180	90	100	DEC. AR 11/8/11 STEVE CKED = OK
02484		SOUTH PASS BLOCK 24	VU3;STATE-HARVEY C TRACT 3	1410	1830	DEC. AR 11/8/11 STEVE CKED = OK
03035		SATURDAY ISLAND	233361-SL 3035-005 05/19/2006	480	801	DEC . AR 11/9/11 OMR TO FOREST: ACCEPTED 61 & 45 AC PRS. 9/15/11 JPT RQD FOREST CONSIDER SRN 122 AC PR >< RCD FOREST POD AND/OR PROPOSED 45 AC PR BY 9-14-11
03579		SARDINE POINT	CIB H3 RA SUA,GIANELLONI-FERRO 01/22/2002 527-C 02-29	0	27.078	DEC. REL RQD 10/26/11
04041		WEST LAKE PONTCHARTRAIN EAST BLK 41	VUA;SL 4041 04/12/2000	515	515	DEC. AR 11/8/11 STEVE CKED = OK
05567		WEST LAKE PONTCHARTRAIN EAST BLK 41	VUA;SL 4041 04/12/2000	101	179.58	DEC. AR
05568		WEST LAKE	VUA;SL 4041	98.595	142.531	DEC. AR 11/8/11 STEVE CKED

Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: December 22, 2011 3:04 PM

District Code	1W	New Orleans- West				
Get Review Date	December 14, 2011					
Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
		PONTCHARTRAIN EAST BLK 41	04/12/2000			= OK
05685		WEST LAKE PONTCHARTRAIN EAST BLK 41	VUA;SL 4041 04/12/2000	6	33	DEC. AR 11/8/11 STEVE CKED = OK
05779		WEST LAKE PONTCHARTRAIN EAST BLK 41	VUA;SL 4041 04/12/2000	61	98 92	DEC. AR 11/8/11 STEVE CKED = OK.
07591		PORT HUDSON	PTHD 16400 TUSC RA SU 06/13/2000 1027-A-13 00-316	323.551	323 551	DEC. AR 11/8/11 STEVE CKED = OK
14589		LAKE RACCOURCI	21.42 07/15/2011	261	1677.25	DEC. 12/9/11 MACY RQD RS TO JPT: LEASE HB LEASE PRD. RCD 11/9/11 EXMOB LTR 5/12/11 OMR TO EXMOB (W/1450, 1451, & 1480) STATUS OF LK RAC LEASES BY 11/9/11
16918		KINGS RIDGE	1.051 06/06/2003	3.949	3.949	DEC. AR 11/8/11 STEVE CKED = OK 226430
17266		LAKE WASHINGTON	CM 288 RE SUA;COCKRELL- MORAN 01/04/2011 149-PPP-2 11-6	101	101	DEC. 10/25/11 STEVE 050716 W PLAT
17379		WEST DELTA BLOCK 54	233761-VUA;SL 17379- 003 07/17/2006	731.96	731.96	DEC. AR SSB 11/4/11 304921 PRDG 8/11
17380		WEST DELTA BLOCK 54	722.33 04/18/2005	140.67	140.67	DEC. AR SSB 11/4/11 304921 PRDG 8/11
18930		KRAEMER, SOUTH	3.71 11/05/2009	11.29	11.29	DEC. AR 11/14/11 STEVE 306092 REVISION 11/8/11 STEVE CKED = OK 237276
19864		LITTLE LAKE	274 10/09/2009	110.682	475	DEC. DD APPROVED TO 12/10/12 PT 12/10/11 10/8/11
20431				0	16	DEC. 2011 RNTL PD PT 9/8/13
20438				0	81	DEC. 2011 RNTL PD PT 9/8/13
20451				0	36	DEC. REL RQD 10/26/11 10/14/11 RS SS: APP EXP. JAN PT 10/13/13

Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: December 22, 2011 3:04 PM

District Code 2 Lafayette

Get Review Date December 14, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00328A		BAY BAPTISTE	350 09/01/2011	0	815	DEC. OB 11/11 DEFERRED. HLCP RESTORE PROD OR ANOTHER REL BY 10/12/11 9/27/11 RCD OFL PR OF 350, RTNG 815 AC EFF 9/1/11
00340B		BELLE ISLE	3592.203 08/12/2011	2100	6400	DEC. 10/27/11 OMR TO APACHE: DEV UPDATE BY 3/14/12 9/20/11 APACHE(&CASTEX) RCD PHOENIX INTEREST, RQD ADD'L TIME TO RPT 6/30/11 G&E TO PHOENIX: POD OR REL FOR NP AC BY 12/8/11. JUL. AR
00340B		BELLE ISLE, SOUTHWEST	3592.203 08/12/2011	2100	6400	DEC. 10/27/11 OMR TO APACHE. DEV UPDATE BY 3/14/12 9/20/11 APACHE(&CASTEX) RCD PHOENIX INTEREST, RQD ADD'L TIME TO RPT 6/30/11 G&E TO PHOENIX: POD OR REL FOR NP AC BY 12/8/11. JUL. AR
00483		FORDOCHE, GIBSON, HUMPHREYS	O SU J; ROB ST. UN. 4 12/01/1994	28	28	DEC. AR 11/23/11 REID: 100% HBP
02986	2	CAILLOU ISLAND	125.82 12/16/2011	0	125.82	DEC. 12/15/11 OMR TO HLCP ACKNOWLEDGE 125.82 AC REL. > 10/31/11 RCD HLCP UNOFL REL OF ENTIRE 125.82 RTNG ZERO OF 2986-2 10/7/11 OMR RQD HLCP REL 2986-2 BY 12/14/11
03052		LAC BLANC	232744-SL 3052-039 03/28/2006	160	782.38	DEC. AR 11/23/11 REID. HBP, CHANGE 464 TO 160 PRD AC
03055		LAC BLANC	56 RA SUA;SL 3055 08/14/2007 1028-L 07-858	186.985	203.266	DEC. AR 11/23/11 REID: HBP 050098, CHANGE 203.266 TO 186.985 PRD AC
03057		LAC BLANC	56 RA SUA;SL 3055 08/14/2007 1028-L 07-858	7.3	380 642	DEC. 11/29/11 RQD JPT & REID ADVISE IF FURTHER ACTION NECESSARY 8/23/11 OMR FUL TO HLCP 5/18/11 KAM: EMAILED RQD STATUS RPT. PRD UNCHANGED FU60DAYS. 1/26/11 OMR TO HLCP FUL > HLCP POD & RETURNING 73 SAND TO PRD BY 12/31/10
03403		PASS WILSON	SL 3403	141.98	141 98	DEC AR 11/23/11 REID: 100% HBP
04956		BAYOU CROOK CHENE	DOW CHEMICAL COMPANY 01/01/1987	17.93	44	DEC AR 11/23/11 REID: HBP 603184, CHANGE 26 TO 17.93 PRD AC
05351		LAKE BOUDREAUX	230402-VUD;SL 5351-001 04/02/2005	391.155	544.92	DEC. AR 11/23/11 REID: HBP 603745 305365, CHANGE 444 TO 391.155 PRD AC
12569		LAKE ARTHUR, SOUTH	11.05 09/25/1991	15.95	15.95	DEC. AR 11/23/11 REID: 100% HBP

Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: December 22, 2011 3:04 PM

District Code 2 Lafayette

Get Review Date December 14, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
14431		SOUTH PELTO BLOCK 2	2.59 04/17/2003	21.395	21.395	DEC. AR 11/23/11 REID: 100% HBP 612283 612813 APR APOD
14432		SOUTH PELTO BLOCK 2	9.629 04/17/2003	156.763	156.763	DEC AR 11/23/11 REID: 100% HBP 612283 612813 APR APOD
14793		SHIP SHOAL BLOCK 65	VUB,SL 14851	13.59	13.59	DEC. AR 11/23/11 REID: 100% HBP 148874
14796		SHIP SHOAL BLOCK 65	VUB;SL 14851	76.11	76.11	DEC. AR 11/23/11 REID: 100% HBP 148874
15067		SHIP SHOAL BLOCK 65	VUB;SL 14851	125.43	125.43	DEC. AR 11/23/11 REID: 100% HBP 148874
16293		PASS DES ILETTES	151.08 01/29/2004	4.92	4.92	DEC. AR 11/23/11 REID: 100% HBP 304525
16995		INTRACOASTAL CITY	K-O RB SUA;EXXONMOBIL 07/18/2011 468-L-1 10-930	86.947	160.97	DEC AR 11/29/11 VB: PROB W/PR 11/23/11 REID K-O RB SUA RECOMPED 10/8/11 CHANGE PRD AC FROM 82 5 TO 86.947 & RQD STATUS OF PR RQD 7/6/11 7/6/11 RS KAM: ~78.5 AC APP EXP.
17208		INTRACOASTAL CITY	K-O RB SUA;EXXONMOBIL 07/18/2011 468-L-1 10-930	1 691	37.532	DEC AR 11/29/11 VB: PROB W/PR 11/23/11 REID K-O RB SUA RECOMPED 10/8/11 & RQD STATUS OF PR RQD 7/6/11 7/6/11 RS KAM: APPROX ~36 AC APP EXP.
17226		INTRACOASTAL CITY	K-O RB SUA;EXXONMOBIL 07/18/2011 468-L-1 10-930	10.831	42.16	DEC. AR 11/29/11 VB: PROB W/PR 11/23/11 REID K-O RB SUA RECOMPED 10/8/11 CHANGE PRD AC FROM .12 TO 10 831 & RQD STATUS OF PR RQD 7/6/11 7/6/11 RS KAM: APPROX ~30 AC APP EXP.
18348		HORSESHOE BAYOU	678.544 05/08/2008	14.796	14.796	DEC. AR 11/23/11 REID: 100% HBP 612427
18380		GIBSON	36.098 11/18/2009	138.902	138.902	DEC. AR 11/23/11 REID: 100% HBP 614688
18614		BAYOU CARLIN	152.411 09/01/2010	20.589	20 589	DEC. AR 11/23/11 REID: 100% HBP 614829 10/13/11 JPT REVISION 233009 614829 MA 7 RD SUA
19130		MAURICE	MT RH SUA,A C DUHON ETAL 01/16/2008 366-K-19 08-15	2.22	13	DEC. SUGGEST AR UPON RCT OF PR 11/23/11 REID: HBP 615253 11/23/11 VB HAS EVERYONE BUT STRATA 11/5/09 PR RQD
19640		INTRACOASTAL CITY	K-O RB SUA;EXXONMOBIL 07/18/2011 468-L-1 10-930	148.127	232	DEC. 10/31/11 JPT PRD AC PER SRVY PLAT 10/28/11 DDPMT TO JPT 7/8/11 FULL RNTL HAND DELIVERED JUL PT 4/9/11
20181		BAYOU HEBERT	CRIS R RA SUA;THIBODEAUX	0	104	DEC 11/15/11 DDPMT APPROVED TO 11/12/12 - UNIT



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: December 22, 2011 3:04 PM

District Code 2 Lafayette
Get Review Date December 14, 2011

Table with columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Rows include lease numbers 20221, 20367, 20368, 20369, 20428, 20429, 20430, 20432, 20480, 20528, 20529, 20530.

Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: December 22, 2011 3:04 PM

District Code	3	Lake Charles- North				
Get Review Date	December 14, 2011					
Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00173		CADDO PINE ISLAND	242085-SL 173 11-002 12/29/2010	800	6500	DEC. OB RCD ROCKWELL 11/9/11 FUTURE PLANS IN ANNONA CHALK & GEMINI CONT P&A PROG (RCD 9/22/11 GEMINI RPT & REQ)
00376		LOGANSFORT	HA RA SUPP;CARAWAY EST 29 HZ 10/20/2009 28-AA-19 09-1111	98.28	150	DEC. AR 11/16/11 SRVY PLAT RQD COMSTOCK;HA RA SUQQ; 241757; 616612. 10/28/11 SAM CKED: OK
00476		LAKE ST JOHN	LSJ SU	2145	2145	DEC. AR 10/28/11 SAM CKED: OK
00554		HAYNESVILLE	HA P SU 07/01/1976	.668	.668	DEC. AR 10/28/11 SAM CKED: OK
02978		CADDO PINE ISLAND	H RA SUB;RIVES 02/01/1995	120	181	DEC. AR 10/28/11 SAM CKED: OK
09076		GREENWOOD-WASKOM	HA RA SUOO;LEE ETAL 6 H 08/04/2009 270-MM-22 09-846	46.62	46.62	DEC. AR 10/28/11 SAM CKED: OK
09314		ADA	HOSS A RA SUNN;COLE E 07/01/1990	11.274	37.48	DEC. AR 10/28/11 SAM CKED: OK
09749		SALINE LAKE	SALL WX RA SU 152-B-1	18	18	DEC. AR 10/28/11 SAM CKED: OK
10333		CADDO PINE ISLAND	CAPI VIV RA SU 03/01/1993	8	8	DEC. AR 10/28/11 SAM CKED: OK
12718		BAYOU GROSSE TETE	13.21 05/04/1992	4.79	4.79	DEC. AR 10/28/11 SAM CKED: OK
12847		SHREVEPORT	HA RA SUB;BLACK STONE 28-21 H 08/18/2009 13-L-1	160	610	DEC. AR 10/28/11 SAM CKED: OK
13920		CASPIANA	HOSS RA SUK;J W PARSONS JR 04/01/1975	5	5	DEC. AR 11/16/11 SRVY PLAT RQD PETROHAWK; HA RA SUJJ; 242747 617129. 10/28/11 SAM CKED: OK
16503		CASPIANA	HOSS RA SUJ;D S JONES ETAL 10 04/15/1975 191-B 75-86	.76	.76	DEC. AR 10/28/11 SAM CKED: OK
17127		SWAN LAKE	HA RA SUP;MARTIN 26 H 05/05/2009 691-C-5	23.517	24.37	DEC. AR 10/28/11 SAM CKED: OK
17936		THORN LAKE	CV RA SUL;BETHARD 11/01/2005 1145-A-1 05-1165	59.031	59.031	DEC. AR 10/28/11 SAM CKED: OK SAL OMR MANAGED WLF PT 10/13/2008
18276		ELM GROVE	HA RA SULL,BLACK 2- 15-11 H	12.125	12.125	DEC. 10/24/11 SAM: 617106 FROM OOC APPROVED SRVY

Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: December 22, 2011 3:04 PM

District Code 3 Lake Charles- North

Get Review Date December 14, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			01/27/2009 361-L-22 09-93			PLAT DATED 5/26/11.
18503		BRACKY BRANCH , RED RIVER-BULL BAYOU	HA RB SU68;ELMWOOD 30 H 10/20/2009 109-X-67 09-1120	215	215	DEC. AR 10/28/11 SAM CKED: OK 9/21/11 JPT 616280 PRELIM 80 6/14/11 JPT 616491 PRELIM 18 & 6/10/11 JPT PRELIM 15 616024 & PRELIM 13 616553
18687		GREENWOOD-WASKOM	HA RA SUG;EDGAR 31 09/16/2008 270-MM-2	19.956	19.956	DEC. AR 10/28/11 SAM CKED: OK
19181		CASPIANA , THORN LAKE	HA RA SUS;LDW&F 15- 14-12 H 01/19/2010 1145-B-25 10-88	2.81	3.3	DEC FINAL DD 11/8/11 SAL OMR MANAGED WLF PT 11/8/09 BAYOU PIERRE WMA 12/7/06 SAL 8 AC. NOT SL 7/19/11 JPT 616613 PRELIM 54 & 6/30/11 JPT 616483 PRELIM 73
19767		THORN LAKE	HA RA SUZ;CLINTON 11-14-12 H 01/19/2010 1145-B-25 10-88	10.05	14	DEC. 10/26/11 SAM 617114 FROM APPROVED OC HA UNIT SRVY PLAT DATED 6/15/11.
20040		GAHAGAN	HA RA SUX;MICIOTTO 16 H 03/16/2010 909-H-7 10-275	147.6	161	DEC. 10/26/11 617045 PRELIMINARY 87
20073				0	612	DEC. 12/13/11 RS TO SAM: APP EXP SAL OMR MANAGED WLF PT 5/12/12 241231
20078		THORN LAKE	HA RA SUZ;CLINTON 11-14-12 H 01/19/2010 1145-B-25 10-88	0	40	DEC. 10/26/11 SAM 617114 FROM APPROVED OC HA UNIT SRVY PLAT DATED 6/15/11. SAL OMR MANAGED WLF PT 6/10/12
20149		CASPIANA	HA RA SUX;NEWPORT DEV LLC 1 10/20/2008 191-H-20 08-1599	2	2	DEC. 10/28/11 SAM CKED OK 6/9/11 JPT: PRELIM 2 TRNSMTL 6-9-11 616299 6/7/11 HA RA SUX; (LUW 616299) 1 UNIT PT 10/14/12 10/27/10 PLAT RQD 616299
20166		THORN LAKE	HA RA SUS;LDW&F 15- 14-12 H 01/19/2010 1145-B-25 10-88	13.5	13.5	DEC 10/28/11 SAM CKED OK SAL OMR MANAGED WLF PT 10/14/12 7/19/11 JPT PRELIM TRNSMTL 54 616613
20167		THORN LAKE	HA RA SUS;LDW&F 15- 14-12 H 01/19/2010 1145-B-25 10-88	27.5	27.5	DEC. 10/28/11 SAM CKED OK SAL OMR MANAGED WLF PT 10/14/12 7/19/11 JPT PRELIM 54 616613
20168		RED RIVER-BULL BAYOU	HA RD SUBB;GUION 23-14-12 H 10/13/2009 109-X-65 09-1106	68	68	DEC. 10/26/11SAM: LEASE HBP &/OR ACTIVITY 10/13/11 SAM TRNSMTL 616794 SAL OMR MANAGED WLF PT 10/14/12
20174				0	75	DEC. 11/29/11 RS SAM APP EXP PT 11/12/12 11/12/09 RENTAL AND BONUS ARE THE SAME
20355		LAKE BISTINEAU	HA RA SUPP;SUSTAINABLE	105.036	545	DEC. 11/16/11 SRVY PLAT RQD CHESAPEAKE; 242760; 617102

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: December 22, 2011 3:04 PM

District Code 3 Lake Charles- North

Get Review Date December 14, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			FOR 22H 01/19/2010 287-F-20 10-69			10/31/11 RCD UNOFL PR OF 89 RTNG 456 AC. PT 6/9/13
20356		CASPIANA , ELM GROVE	LCV RA SU119;LEONARD RD FRMS32 10/22/2008 361-E-546 08-1636	22	36	DEC. 10/31/11 RCD UNOFL PR OF 14 RTNG 22 AC. 8/12/11 PR RQD 8/5/11 RS JPT: 21.35 AC HBP, 14.66 EXP PT 6/9/13
20373		CONVERSE	HA RA SUC;SUSTAINABLE FST 11 H 04/07/2009 501-G 09-376	116.571	156	DEC. 10/21/11 SAM: 617097 FROM OOC APPROVED UNIT SRVY PLAT DATED 6/27/11
20425				0	20	DEC. 10/28/11 SAM CKED 2011 RNTL PD PT 9/8/13
20447				0	207	DEC. REL RQD 10/26/11 PT 10/13/13
20448				0	76	DEC. REL RQD 10/26/11 PT 10/13/13
20477				0	44	DEC. 11/29/11 RS SAM: APP EXP PT 11/10/13
20516		RED RIVER-BULL BAYOU	HA RB SU89;NABORS PROP 15 08/13/2010 109-X-119 10-898	4.278	8	DEC. 11/1/11 SAM: 617127 FROM OC APPROVED UNIT SRVY PLAT DATED 9/12/11 PT 1/12/14



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: December 22, 2011 3:04 PM

District Code 3S Lake Charles- South
Get Review Date December 14, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00042		HACKBERRY, EAST , HACKBERRY, WEST	241105-SL 42-227 04/14/2010	400	1459.86	DEC. AR 11/23/11 REID: HBP, CHANGE 774 TO 400 PRD AC RCD TPIC: UPDATE POD/REL BY 10/12/11.
11859		LAKE ARTHUR, SOUTH	U MIOGYR RA SUE;GLENN 10/01/1990	33.288	33.288	DEC. AR 11/23/11 REID: 100% HBP 610914
13465		WEST CAMERON BLOCK 1	9850 RA SUA;SL 12848 12/19/2006 1358-G 06-1428	1.04	1.04	DEC. AR 11/23/11 REID: 100% HBP
13558		LAKE ARTHUR, SOUTHWEST	78.38 11/04/2003	218.312	218.312	DEC. AR 11/23/11 REID: 100% HBP
18524		CREOLE OFFSHORE	VUB;SL 18521 03/11/2009	55.43	80 17	DEC. 11/2/11 2ND VUB REVISION MEETING
19098		WEST CAMERON BLOCK 1	10.16 10/01/2007	3.55	3.55	DEC. SUGGEST AR, 11/23/11 REID: 100% HBP 614836 PT 9/13/11
19109		WEST CAMERON BLOCK 1	21.19 10/01/2007	7.57	7.57	DEC. AR 11/23/11 REID: 100% HBP 614836
19190		CREOLE OFFSHORE	VUB;SL 18521 03/11/2009	52.21	234.37	DEC. 11/2/11 2ND VUB REVISION MEETING DD & PT 12/13/11
19192		CREOLE OFFSHORE	VUB;SL 18521 03/11/2009	9.36	93.99	DEC. 11/2/11 2ND VUB REVISION MEETING DD & PT 12/13/11
19895		PORT BARRE	44.188 04/11/2011	4.812	4.812	JAN. SUGGEST AR, 11/23/11 REID: 100% HBP PT 12/10/11
20178				0	25	DEC. 11/15/11 RS REID: APP EXP FEB. PT 11/12/12
20271		CHEMARD LAKE	906.985 10/25/2011	0	906.985	DEC. REID: RELEASE SENT TO LEGAL 11-1-11 10/20/11 JPT: 616873 PRELIMINARY 83
20427				0	.669	DEC. 2011 RNTL PD PT 9/8/13
20443				0	2	DEC. REL RQD 11-8-11 11/8/11 RS JPT: APP EXP PT 9/8/13
20473				0	744.95	DEC. 11/2/11 2ND VUB REVISION MEETING PT 11/10/15
20481				0	127	DEC. 11/15/11 RS REID: APP EXP PT 11/10/13
20571				0	2394	DEC. 11/3/11 ULTRA DEEP VUA MEETING PT 3/9/14 ROCKEFELLER WMA
20572				0	2081	DEC. 11/3/11 ULTRA DEEP VUA MEETING PT 3/9/14 ROCKEFELLER WMA
20573				0	1423	DEC. 11/3/11 ULTRA DEEP VUA MEETING PT 3/9/14 ROCKEFELLER WMA
20574				0	2126	DEC. 11/3/11 ULTRA DEEP VUA

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: December 22, 2011 3:04 PM

District Code 3S Lake Charles- South

Get Review Date December 14, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
						MEETING PT 3/9/14 ROCKEFELLER WMA
20575				0	1265	DEC. 11/3/11 ULTRA DEEP VUA MEETING PT 3/9/14 ROCKEFELLER WMA
20576				0	1974.92	DEC. 11/3/11 ULTRA DEEP VUA MEETING PT 3/9/14 ROCKEFELLER WMA
20610				0	9	DEC. 11/17/11 JPT: LEASE WITHIN 3 UNDRLD OC UNITS - MIDDLE MIOCENE ZONE RA ORDER 645-KK, 7,300 RA ORDER 645-BB-1 & 7,100 RA ORDER 645-AA-1.
20740				0	31	DEC. 11/28/11 JPT: KATANA APPLIED TO CREATE UNDRLD COCKFIELD ZONE RA UNIT INCLUDING LEASE. PT 9/14/14
163				30,132.206	73,471.258	

BOBBY JINDAL
GOVERNOR



SCOTT A. ANGELLE
SECRETARY

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

NOMINATION AND TRACT COMMITTEE REPORT

The Nomination and Tract Committee, convened at **9:57 a.m.** on Wednesday, **December 14, 2011** with the following members of the Board in attendance:

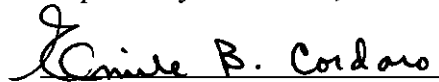
Mr. Thomas L. Arnold, Jr. Mr. Emile B. Cordaro Mr. Robert D. Harper
Mr. W Paul Segura, Jr. Mr. Darryl D. Smith Mrs. Helen Godfrey Smith

Mr. Chip Kline (sitting in for
Garret Graves, Gov. Jindal's
Designee)

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the February 8, 2012 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Arnold** duly seconded by **Mrs. Smith**, the Committee voted unanimously to recommend to the Board the granting of authority to the staff to advertise all such tracts as have been reviewed by the State Land Office and the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report presented by Mr. Fontenot.

The Committee, on motion of **Mr. Arnold**, seconded by **Mrs. Smith**, voted to adjourn at **9:58 a.m.**

Respectfully Submitted,

 by *K.F.*
Emile B. Cordaro
Emile B. Cordaro
Chairman
Nomination and Tract Committee

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

NOMINATION AND TRACT COMMITTEE

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

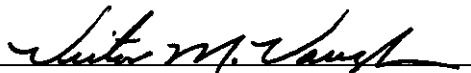
WHEREAS, Mr. Emile Fontenot presented to the State Mineral and Energy Board 63 tracts that had been nominated for the February 8, 2012 Mineral Lease Sale, and that same are to be advertised pending staff review; now therefore

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

NOW, BE IT THEREFORE RESOLVED, that the State Mineral and Energy Board does hereby approve and authorize the advertising of all such tracts as have been reviewed by the State Land Office and the staff of the Office of Mineral Resources, as well as any tracts that have been previously advertised and rolled over, and to otherwise approve the Nomination and Tract Report presented by Mr. Heck and Mr. Fontenot.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 14th day of December 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

BOBBY JINDAL
GOVERNOR



SCOTT A. ANGELLE
SECRETARY

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

The regular meeting of the Audit Committee of the State Mineral and Energy Board was held on Wednesday, December 14, 2011, following the Nomination and Tract Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building, located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Robert D. Harper Emile B. Cordaro Darryl D. Smith
Thomas L. Arnold, Jr. W. Paul Segura, Jr. Helen G. Smith
Chip Kline (*sitting in for Garrett Graves, Governor Jindal's designee to the State Mineral & Energy Bd.*)

Mr. Thomas L. Arnold, Jr. convened the Committee at 9:59 a.m.

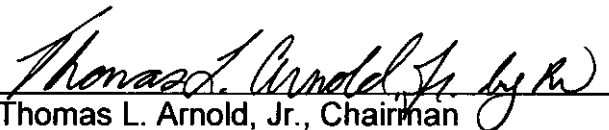
The first matter considered by the Committee was a penalty waiver request from JGC Energy Development (USA) Inc.

Staff recommended a 75% penalty waiver of \$216,192.51. Mr. John Parker, representative of JGC Energy Development (USA) Inc. addressed the Board to request a penalty waiver of 100%. Upon motion of Mr. Segura, seconded by Mr. Cordaro, the Committee voted unanimously to approve the 100% penalty waiver in the amount of \$288,256.68.

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

No action required.

On motion of Mr. Segura, seconded by Mr. Cordaro, the Board voted unanimously to adjourn the Audit Committee at 10:07 a.m.


Thomas L. Arnold, Jr., Chairman
Audit Committee

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

AUDIT COMMITTEE

ON MOTION of Mr. Segura, seconded by Mr. Cordaro, the following Resolution was offered and adopted:

WHEREAS, JGC Energy Development (USA) Inc. has made a letter application for reduction of penalties assessed in the amount of \$288,256.68 due to late royalty payments in the Little Lake Field (6084), State Leases 18010, 02483, 18997, 19864, and 02383; and

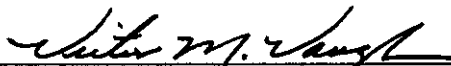
WHEREAS, the Mineral Income Division has reviewed the background and circumstances connected with JGC Energy Development (USA) Inc. penalty assessment, including the reason for its late payment; and

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

THEREFORE BE IT RESOLVED, that the Board does waive one hundred percent (100%), which amounts to \$288,256.68 of the total penalty assessed to JGC Energy Development (USA) Inc.

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 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



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

LEGAL AND TITLE CONTROVERSY COMMITTEE REPORT

The regular meeting of the Legal and Title Controversy Committee of the State Mineral and Energy Board was held on December 14, 2011, following the Audit Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Mr. Robert D. Harper
Mr. Thomas L. Arnold, Jr.
Mr. W. Paul Segura, Jr.
Mr. Chip Kline (sitting in for Garret Graves, Governor Jindal's designee)

Mr. Emile B. Cordaro
Mr. Darryl David Smith
Ms. Helen Godfrey Smith

The Legal and Title Controversy Committee was called to order by Mr. Segura at 10:07 a.m.

The first matter considered by the Committee was a request for final approval of the Operating Agreement presented by and between the State Mineral and Energy Board and Walter Oil & Gas Corporation, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 25% before payout, increasing to 26% after payout in and to the Operating Tract, whereas Operator desires and intends to re-establish production from the "VUA; State Lease No. 1 Well (SN 242622)", Cameron Parish, Louisiana, containing 489.1611 acres, more or less, covering a portion of former State Lease Nos. 20349 and 20350, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-43.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of the Operating Agreement presented by and between the State Mineral and Energy Board and Walter Oil & Gas Corporation, on the docket as Item No. 11-43. No comments were made by the public.

The second matter considered by the Committee was a request for final approval of the Lease Amendment by and between the State of Louisiana, through the State Mineral and Energy Board and Apache Corporation, whereas said parties desire to amend said lease to include a Force Majeure Provision and other required clauses,

affecting State Lease No. 988, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-45.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of the Lease Amendment by and between the State of Louisiana, through the State Mineral and Energy Board and Apache Corporation, on the docket as Item No. 11-45. No comments from the public were made.

The third matter considered by the Committee was a request for final approval of the Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Apache Corporation, whereas said parties desire to amend said lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 3401, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-46.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of the Lease Amendment by and between the State of Louisiana, through the State Mineral and Energy Board and Apache Corporation, on the docket as Item No. 11-46. No comments from the public were made.

The fourth matter considered by the Committee was a request for final approval of the Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Apache Corporation, whereas said parties desire to amend said lease to include a Force Majeure Provision and other required clauses, affecting State Lease Nos. 3771 and 3773, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-47.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to grant final approval of the Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Apache Corporation, on the docket as Item No. 11-47. No comments from the public were made.

The fifth matter considered by the Committee was a request for final approval of the Second Amendment to that certain Unitization Agreement, effective May 14, 2008, by and between the State Mineral and Energy Board, Bamboo Investments, LLC, J & S Oil & Gas, LLC, Lewiston Atlas, Ltd., Madison, LLC, Stokes & Spiehler, Inc. and XPLOR Energy SPV-1, whereas said parties desire to amend said Unitization Agreement to contain those certain tracts of land comprising all or portions of State Lease Nos. 18423, 18521, 18524, 19031, 19190 and 19292 and 20473, containing approximately 1,134.79 acres as depicted and shown more clearly on the plat attached hereto and made a part hereof as Exhibit "A", also the tracts and surface areas in each and the

percentages of participation in each tract are also hereby amended and shown on the attached Exhibit "A", affecting State Lease Nos. 18423, 18521, 18524, 19031, 19190, 19292 and 20473, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-49.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to approve the Second Amendment to that certain Unitization Agreement, effective May 14, 2008, by and between the State Mineral and Energy Board, Bamboo Investments, LLC, J & S Oil & Gas, LLC, Lewiston Atlas, Ltd., Madison, LLC, Stokes & Spiehler, Inc. and XPLOR Energy SPV-1, on the docket as Item No. 11-49. No comments from the public were made.

The sixth matter considered by the Committee was a request for final approval of the Operating Agreement by and between the State Mineral and Energy Board and Hilcorp Energy I, L.P., to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 23% before payout, increasing to 25% after payout, in and to the Operating Tract, whereas Operator desires and intends to re-establish production from the VU16;BSE U16 Well No. 8 Well (SN 141966), containing 39.564 acres, more or less, covering Former State Lease No. 18408, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-51.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Smith, the Committee voted unanimously to grant final approval of the Operating Agreement by and between the State Mineral and Energy Board and Hilcorp Energy I, L.P., on the docket as Item No. 11-51. No comments from the public were made.

The seventh matter considered by the Committee was a request by Saratoga Resources, Inc. on behalf of Harvest Oil & Gas, LLC to extend the primary term of State Lease Nos. 19971, 19967, 19968, and 19969 for an additional two (2) years wherein Saratoga would pay the bonus for each lease for the first year of the extension and increase the royalty by one-half percent for each lease.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Smith, the Committee voted unanimously to approve, in principle, the amending of State Lease Nos. 19971, 19967, 19968 and 19969 to extend their respective primary terms for an additional year in consideration of a full bonus payment on each lease and an increase of 0.5% royalty on each lease, with an option to further extend the primary term for an additional year in consideration of the payment of a full bonus on each lease only, if the option is exercised, subject to the drafting of a suitable amendment document, execution of same, it being duly advertised and placed on the Docket for final approval. No comments from the public were made.

The eighth matter considered by the Committee was a request by Apache Corporation for an Operating Agreement covering 720 acres located in Rigolets Field which was previously comprised of acreage contained in former State Lease Nos. 6646 and 6647.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Smith, the Committee voted unanimously to grant Staff the authority to negotiate an operating agreement with Apache on the unleased State acreage within the TUSC RA NVU"B" and remove the acreage in question from availability for leasing pending the confection of said operating agreement, but for not more than ninety (90) days or until the March, 2012 Mineral and Energy Board Meeting, whichever is later. No comments were made by the public.

The ninth matter considered by the Committee was a request by PetroQuest Energy, L.L.C. to escrow royalties attributable to title-disputed acreage on State Lease No. 20181.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Cline, the Committee voted unanimously to grant PetroQuest Energy, L.L.C. the authority to deposit funds in an escrow account, subject to the standard OMR escrow account requirements, for a period not to extend beyond February 29, 2012, or until a concursus petition is filed, whichever occurs first. No comments were made by the public.

The tenth matter considered by the Committee was a request by ExPert Oil & Gas, L.L.C. for an Operating Agreement on State Lease No. 19896 acreage included in the Lorio RC SUA created by the Office of Conservation No. 596-A-6. Due to the fact that an estimated 1.10 acres of the Lorio Unit, Iberville Parish, will be effected by the expiration of the primary term of State Lease No. 19896 on December 10, 2011, Expert Oil & Gas, L.L.C. also requests that any acreage covered by State Lease No. 19896 be deemed unavailable for leasing while negotiations are ongoing for a period not to exceed the date of the third Mineral and Energy Board Meeting after the Board has authorized negotiations.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to grant Staff the authority to negotiate an Operating Agreement with ExPert Oil & Gas, L.L.C. on State Lease No. 19896 acreage included in the Lorio RC SUA created by the Office of Conservation No. 596-A-6 and to remove the acreage in question from availability for leasing pending the confection of said operating agreement for a period not to exceed the date of the third Mineral and Energy Board Meeting after the Board has authorized negotiations. No comments were made by the public.

The eleventh matter considered by the Committee was a request by LLOG Exploration Company, L.L.C. to escrow royalties on disputed acreage as it pertains to State Lease No. 19639, located in Vermillion Parish.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Smith, the Committee voted unanimously to grant LLOG Exploration the authority to deposit royalties into an escrow account, subject to the standard OMR escrow account requirements, for a period not to exceed 90 days, or until a concursus petition is filed, whichever occurs first. No comments were made by the public.

The twelfth matter considered by the Committee was a request by Staff for approval of minor changes to language contained in the Louisiana Running Surface Water Use Cooperative Endeavor Agreement form. The changes are attached hereto and made a part of this report.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to grant approval of the minor changes to language contained in the Louisiana Running Surface Water Use Cooperative Endeavor Agreement form proposed by Staff. No comments were made by the public.

The thirteenth matter considered by the Committee was a request by McMoRan for an extension of time in which to plug and abandon Well No. 226623 in accordance with the provisions of State Lease No. 14561, until June 30, 2012.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Ms. Smith, the Committee voted unanimously to grant McMoRan an extension of time in which to plug and abandon Well No. 226623 in accordance with the provisions of State Lease No. 14561, until June 30, 2012.

Upon motion of Ms. Smith, seconded by Mr. Smith, the Committee voted unanimously to go into Executive Session at 10:25 A.M.

Upon motion of Mr. Arnold, seconded by Mr. Kline, the Committee voted unanimously to return to Open Session at 10:43 A.M.

The following matters were discussed in Executive Session:

The fourteenth matter considered by the Committee was a discussion in executive session of the offers/counter offers made regarding Chesapeake Louisiana, L.P.'s request for an Operating Agreement covering a total of +/- 899 acres located in Sections 13, 14, 15, 23 and 24, T14N, R12W, DeSoto and Red River Parishes, Louisiana, portions of which are in title controversy with the Albrittons. This matter has resulted in the filing of a Complaint by Chesapeake entitled: Chesapeake Louisiana, L.P. v. State of Louisiana, et al, Suit No. 3:11-CV-00772-BAJ-SCR, U.S. District Court, Middle District of Louisiana.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to grant Staff the authority to reject Chesapeake Louisiana, L.P.'s counter offer and submit a counter offer to Chesapeake Louisiana, L.P.'s last counter offer. No comments were made by the public.

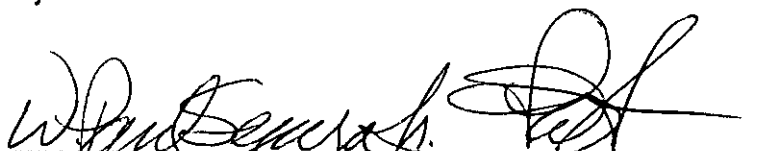
The fifteenth matter considered by the Committee was a discussion in executive session of suit entitled: Devon Energy Production Company, L.P. v. Gail Norton, et al, Civil Action No. 04-2093, United States District Court, Western District of Louisiana.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Smith, the Committee voted unanimously to grant Staff the authority to release KCS/Petrohawk, the predecessor to Devon Energy Production Company, L.P., from any liability to the State of Louisiana for payment of royalties associated with the dispute. No comments were made by the public.

The sixteenth matter considered by the Committee was a discussion in executive session regarding a concursus petition entitled: Chesapeake v. State Mineral and Energy Board, et al, Suit No.35483, 39th Judicial District Court, Red River Parish. This petition was filed as a result of a dual claim to minerals between the State and private land owners.

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

Upon motion of Mr. Arnold, seconded by Mr. Smith, the Legal and Title Controversy Committee meeting adjourned at 10:44 a.m.


Mr. W. Paul Segura, Jr., Chairman
Legal and Title Controversy Committee
Louisiana State Mineral and Energy Board

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

**LOUISIANA RUNNING SURFACE WATER USE
COOPERATIVE ENDEAVOR AGREEMENT**

Revised December 2011

THIS AGREEMENT (hereinafter "Agreement") is entered into as of the date executed by the **State of Louisiana through the Department of Natural Resources** represented herein by Scott A. Angelle, its duly authorized Secretary, whose business address is 617 N. Third Street, LaSalle Building, Twelfth Floor, Baton Rouge, Louisiana 70802 (hereinafter the "Secretary")

and

_____, a _____ authorized to do business in the State of Louisiana, whose address is _____ (hereinafter, including its employees, agents and representatives, the "Water User").

WHEREAS, Act 955 passed by the Legislature of the State of Louisiana (hereinafter "Legislature") during the 2010 regular session, hereinafter referred to as "Act 955", does not require any person or entity to enter into any cooperative endeavor agreement to withdraw running surface water; and

WHEREAS, it was the express intention of the Legislature that nothing contained in Act 955 be interpreted as codifying, confirming, ratifying, overruling, nullifying, or rejecting the statements of law contained in the Memorandum to all State Surface Water Managers from the State of Louisiana, Office of the Attorney General and the Secretary of the Department of Natural Resources and in Attorney General Opinions Nos. 08-0176, 09-0028, 09-0066 and 09-0291; and

WHEREAS, Act 955 specifically states that it shall not affect the rights held by the riparian landowners in accordance with the laws of the State of Louisiana, as expressed in, but not limited to, the Louisiana Civil Code; particularly Articles 657 and 658; and

WHEREAS, Article VII§14 of the 1974 Constitution of the State of Louisiana, as amended, prohibits the funds, credit, property, or things of value of the ~~state~~State or of any political subdivision to be loaned, pledged, or donated to or for any person, association, or corporation, public or private; and

WHEREAS, for purposes of this Cooperative Endeavor Agreement (hereinafter "Agreement"), the term "running surface waters" shall mean the running waters of the State of Louisiana, including waters of navigable water bodies and ~~state~~State owned lakes (hereinafter "Water"); and

WHEREAS, this cooperative endeavor agreement shall **NOT** be construed as obviating, lessening, or reducing the Water User's obligations under other applicable statutes, rules and regulations of the State of Louisiana, the United States of America, or any properly established local government having jurisdiction; and

WHEREAS, the Legislature of the State of Louisiana, in mandating the management, preservation, conservation and protection of Louisiana's Water ~~resources~~Resources, has authorized the Secretary of the Department of Natural Resources to enter into Cooperative Endeavor Agreements with requesting parties to govern the withdrawal and use of, as well as to derive value and benefit to the State of Louisiana and its citizens from, the Water from said resources; and

WHEREAS, the Secretary has determined, based on information provided in the application, that the withdrawal and use of Water from the Louisiana Water Resources named herein (hereinafter "Water Resources") have met the criteria as a public purpose requisite for entering into this Agreement, and further, pursuant to Act 955, the Secretary has ensured that this Agreement is based on best management practices and sound science, having balanced the environmental and ecological impacts with the economic and social benefits as required by Article IX§1 of the 1974 Constitution of the State of Louisiana, as amended; and

WHEREAS, pursuant to Act 955, the Secretary, in his evaluation, has considered the potential and real effects of this Agreement on the sustainability and navigability of the Water Resources set forth in the Plan.

NOW THEREFORE, the Secretary and the Water User agree that: 1.) the Water User requires the use of the amount of "Water" set forth herein below over which the State of Louisiana has either ownership or jurisdictional control, and 2.) the Water is needed for the specific uses delineated in the Plan of Water Use (hereinafter "Plan") filed with the application for this Agreement, a copy of which is attached hereto and made a part hereof as Exhibit "A", and 3.) the Plan expressly manifests how the use as set forth therein constitutes a "public purpose" as that phrase appears in Article VII§ 14(C) of the 1974 Constitution of the State of Louisiana, as amended. Pursuant to said agreement between the parties, the following shall constitute the terms, conditions and considerations thereof, to-wit:

I.

RIGHTS AND OBLIGATIONS OF THE WATER USER:

- A. Water User shall be allowed to withdraw a total of _____ gallons of water from the Water Resources and at the specific withdrawal points set forth in the Plan only. The Water shall be used solely for the uses set forth in the Plan.
- B. Water User shall, utilizing a meter complying with current American Water Works Association standards, record the monthly amount of Water withdrawn from each withdrawal point set forth in the Plan, and shall tabulate and compile same in an annual report in the form of an authentic act (hereinafter "Water Volume Report") which shall be sent to the Secretary on an annual basis from the effective date of this agreement to be received by the Secretary no later than the end of the thirteenth (13) month after the effective date of this Agreement, for each successive annual period. The Secretary, at his sole discretion, may require, and the Water User shall provide, more frequent Water Volume Reports when necessary to protect the environmental and ecological balance of the ~~water-Water resource~~ Resource. Failure to file the required Water Volume Report, or inclusion of any false information in said reports, shall allow the Secretary, in his sole discretion, to either suspend Water User's rights under this Agreement and allow Water User to correct any error or file any required reports, or terminate the Agreement with notice, or without notice when necessary to prevent substantial damage to the environment or ecological resources.

C. Water User shall not sell, convey, donate, or otherwise transfer use of the Water to any other entity, in return for any consideration or cause greater than that given by the Water User under this Agreement, nor without the approval in writing of the Secretary. However, the Water User may receive reasonable, fair compensation for the transportation, treatment and disposal of the Water used by Water User under this Agreement. Water User shall not withdraw or utilize the Water in any manner or for any purpose other than as delineated in the Plan. Should Water User violate any of the terms of this Part, it shall be deemed an active default and, the Secretary, at his option, may terminate this Agreement.

D. At all times the Secretary, his agents or representatives, shall have access to Water User's operations and records, for purposes including auditing payment, inspecting the meters, ascertaining use to which water is being put and verifying economic benefit of operations to the State, for the limited purpose of ensuring compliance with this Agreement. Such inspections are without prejudice to, and in addition to, the right of duly constituted ~~federal~~Federal, ~~state~~State, or local enforcement officials to make such inspections.

E. Water User shall be vigilant and utilize the best management practices as set forth in the Plan in preventing the contamination of surrounding soils, ground water, and Water ~~resources~~Resources by any and all uses to which the Water is put.

F. For, and as cause and consideration for any and all rights to withdraw and use Water in the amounts set forth herein, and according to the Plan, Water User shall remunerate the State in one of the manners set forth hereinafter as indicated by the initials of the Secretary and the duly authorized representative of the Water User affixed before the option chosen, to-wit:

_____ i. Water User has submitted evidence in the form of an economic impact report (hereinafter "Report") attached to this Agreement and made a part hereof as Exhibit "B" that the use to which the Water will be put is sufficiently in the public interest in that the citizens of Louisiana will see further economic and social development in the form of increased employment and tax revenue derived from the use under the Plan. The Report further shows: a.) the Plan sufficiently balances environmental considerations and ecological impacts. b.) the Plan considers the existing and potential impact of the Water use on the continued viability of the Water Resources, as well as the water shed servicing the Water Resources, being utilized as well as the public enjoyment and continued usage thereof. c.) the Water use under the Plan does not interfere with, nor render untenable, any other use of any ~~water~~Water resource~~-Resource~~ presently, or which may reasonably, legally be anticipated, for purposes including, but not necessarily limited to, public consumption, agriculture, industrial purposes, recreation, or navigation. The Report shall be deemed evidence that the use of the Water withdrawn and the attendant results hereinabove described are deemed fair market value in return for taking the Water. If the use of the Water by Water User does not achieve the economic and social development predicted in the Report, then the Water User shall pay the State for the Water withdrawn and used according to the terms of Paragraph F(ii).herein below.

_____ ii. Water User shall pay Fifteen cents (15¢) per Thousand Gallons of water withdrawn under the Plan payable no later than the tenth (10th) of the month following the withdrawal. Attached hereto and made a part

hereof as Exhibit "C" is written evidence that the price charged by the State as herein set forth constitutes fair market value to the State for the Water taken and is therefore in the public interest. Additionally, to help assure the State receives fair market value for its resources, beginning calendar year 2011, the price per Thousand Gallons of Water shall be adjusted annually by the rate of change in the Consumer Price index United States city average for all urban consumers (CPI-U), as reported by the Bureau of Labor Statistics of the United States Department of Labor for all urban consumers or its successor publications.

II.

OBLIGATIONS OF THE STATE:

In accordance with the terms and conditions set forth in this Agreement and pursuant to La. R.S. 30:961-963, the State, through the Secretary, hereby grants to the Water User the authority to cumulatively withdraw no more than _____ () gallons of Water per month from the Water Resources and no more than _____ () gallons of Water over the two (2) year period of this agreement from the Water Resources as set forth in the Plan at only those withdrawal points identified in the Plan. **The authority to withdraw granted herein is limited solely to the methods, resources and withdrawal points as set forth in the Plan.** If the Water User desires to deviate from the Plan in any manner, it must obtain written permission from the Secretary, or negotiate for and obtain an amendment of this Agreement, or enter into a new Running Surface Water Use Agreement, to encompass the deviations from the Plan. The authority to withdraw is non-exclusive and the Water User acknowledges that the State may authorize others to withdraw Water from the Water Resources set forth in the Plan. Notwithstanding the foregoing, the State makes no representation or warranty, express or implied, as to 1.) the nature or extent of its regulatory authority; 2.) the availability of water from the Water Resources in the Plan at any time; or 3.) the quality, suitability, purity, palatability, potability, or fitness of the Water from the Water Resources in the Plan for Water User's intended use, or for any other uses or purposes whatsoever. Water User understands and acknowledges that the Water Resources in the Plan are multiple purpose water sources and may be subject to other plans which may result in considerable fluctuations of the water level in the Water Resources. The Secretary makes no guarantee as to the elevation at which the Water can be withdrawn from the Water Resources to meet Water User's commitments and obligations.

III.

LIMITATION OF LIABILITY:

It is agreed and understood that a principal cause of the State's entry into this Agreement is Water User's consent to and acceptance of the terms of indemnification and limitation of liability set forth in this Paragraph III, and elsewhere in the Agreement, without which consent and acceptance by Water User, the State would not have entered into this Agreement. Therefore, the State and Water User agree as follows:

A. Water User understands and acknowledges that the withdrawal of Water as contemplated by this Agreement and the use of said Water (whether intermediate or ultimate use) after withdrawal is at its sole risk. Water User understands, stipulates and agrees that, except for a breach of an express warranty contained in this

Agreement, the State and the Secretary shall have no liability to the Water User (or its agents, servants, employees, visitors or licensees) and Water User assumes all liability arising out of or in any way connected with ~~4.) this Agreement;~~ 21.) the State's lack of authority to authorize Water User to withdraw and/or use Water from the Water Resources; 32.) the failure or interruption of any business operation of the Water ~~user~~-User or any other person or entity, or loss of business of Water User or any other person or entity as a result of Water User's (or its agents, servants, employees, visitors or licensees) inability to withdraw Water from the Water Resources; 43.) any negligence or fault of the State or the Secretary, its agents, employees, representatives or any person or entity for whom or for which the State may be held responsible in connection with the withdrawal and/or use of the Water from the Water Resources, except as limited by the Louisiana Oilfield Anti-Indemnity Act (LA R.S. 9:2780) and Civil Code Article 2004; 54.) any damages resulting from the Secretary's use of his authority to compel reduction or termination of water withdrawal from any or all of the withdrawal points withdrawing from the Water Resources as set forth herein after; 65.) any negligence or fault of the Water User or its agents, servants, employees, visitors or licensees; and/or 76.) Water User's (or its agents, servants, employees, visitors or licensees) withdrawal and/or use of Water from the Water Resources, including without limitation (a) fluctuation of the water level of the Water Resources; (b) Water User's (or its agents, servants, employees, visitors or licensees) inability to withdraw Water from the Water Resources for whatever reason; (c) damage to the Water Resources, property surrounding the Water Resources, or users of the Water Resources; (d) charges or fees made by any person or entity for water withdrawn by the Water User, (e) Water User's (or its agents, servants, employees, visitors or licensees) installation, maintenance, or use of any pumping or diversion facility; and/or (f) Water User's (or its agents, servants, employees, visitors or licensees) failure to make reasonable use of the Water withdrawn from the Water Resources.

B. Water User shall defend, indemnify and hold harmless the State (and the Secretary) against any expenses, losses, costs, damages, claims (including without limitation claims for loss of life or illness to persons, or for damage to property), actions, proceedings, or liabilities of any kind, character or type arising out of or in any way connected with ~~4.) this Agreement;~~ 21.) the State's lack of authority to authorize Water User to withdraw and/or use Water from the Water Resources; 32.) the failure or interruption of any business operation of Water User or any other person or entity or loss of business of Water User or any other person or entity as a result of Water User's (or its agents, servants, employees, visitors or licensees) inability to withdraw Water from the Water Resources; 43.) any negligence or fault of the State, its agents, employees, representatives, or any person or entity for whom or for which the State may be held responsible in connection with the withdrawal and/or use of Water from the Water Resources, except as limited by the Louisiana Oilfield Anti-Indemnity Act (LA R.S. 9:2780); 54.) any negligence or fault of Water User or its agents, servants, employees, visitors or licensees in connection with the withdrawal and/or use of the Water from the Water Resources; and/or 65.) Water Users (or its agents, servants, employees, visitors or licensees) withdrawal and/or use of the Water from the Water Resources, including without limitation (a) fluctuation of the water level of the Water Resources; (b) Water User's (or its agents, servants, employees, visitors or licensees) inability to withdraw Water from the Water Resources, for whatever reason; (c) damage to the Water Resources, property surrounding the Water Resources, or users of the Water Resources;

(d) charges or fees made by any person or entity for Water withdrawn by Water User (or its agents, servants, employees, visitors or licensees) from the Water Resources, (e) Water User's (or its agents, servants, employees, visitors or licensees) installation, maintenance, or use of any pumping or diversion facility; and/or Water User's (or its agents, servants, employees, visitors, or licensees) failure to make reasonable use of the Water withdrawn from the Water Resources.

C. The State shall have no liability for, and Water User shall assume all liability for any expenses, losses, costs, damages, claims (including without limitation claims for loss of life or illness to persons, or for damage to property), actions, or proceedings of any kind, character or type, arising out of or in any way connected with its withdrawal of or use of Water withdrawn from the Water Resources, whether or not those expenses, losses, costs, damages, claims (including without limitation claims for loss of life or illness to persons, or for damages to property), actions, or proceedings of any kind, character or type, resulted from or otherwise are caused by the State's own negligence, except as limited by the Louisiana Oilfield Anti-Indemnity Act (LA R.S. 9:2780).

D. Water User's liability under this Agreement extends to the acts and omissions of any agent, servant, employee, customer, visitor or licensee of the Water User. Water User agrees to provide legal defense for and defend any such claims, demands or suits, including reasonable attorney's fees at Water User's sole expense and to bear all court costs and other expenses.

E. The provisions of this Paragraph III. and all other indemnification provisions herein, shall survive the expiration or termination of this Agreement, and the Water User's obligations hereunder shall apply whenever the State incurs costs or liabilities of the types described in this Paragraph III; which costs and liabilities shall include attorney fees expended by the State or the Secretary for any enforcement or defense of this Agreement, including any actions or omissions of the Secretary, the State, or any of its employees, agents or representatives arising from this Agreement.

IV.

TERM:

A. This Agreement shall take effect as of _____, _____ [for use when State enters into Agreement] and shall continue for a term of two (2) years, or until _____, _____ after which this Agreement will terminate unless on or before said date Water User notifies the Secretary in writing that Water User desires to renew this Agreement under the terms and conditions set forth herein for an additional two (2) year period. Thereafter, successive additional two (2) year periods desired by Water User shall run consecutively upon due written notice to the Secretary on or before the expiration of the previous two (2) year additional period; with the cumulation of successive periods not to go past December 31, 2020.

B. The Secretary may reduce, apply restrictive conditions to, or terminate the right of Water User to withdraw Water from any or all Water Resources, or from any particular withdrawal point named in the Plan when necessary to protect the Water Resource and maintain sustainability and environmental and ecological balance. The Secretary may terminate this Agreement, as to any or all of the Water Resources, or any withdrawal point, named in the Plan if any Federal Resource Agency requests same for good cause, or Water User breaches any term, condition or obligation set forth in this

Agreement. Any action taken by the Secretary, that in his discretion, does not present imminent substantial danger to health, public welfare, or the environment in this Subsection, shall be preceded by receipt of written notice by Water User, at the address provided by the Water User in this Agreement, fifteen (15) days prior to effective date of said action.

V.

RULES AND REGULATIONS:

A. The Water User agrees to abide by all the rules, regulations and resolutions, including, but not necessarily limited to, those set forth hereinafter in separate parts of this Agreement, promulgated by the State and its agencies, the Federal government and its agencies with jurisdictional authority, and duly constituted local governments, including but not limited to, the Department of Natural Resources, the Department of Wildlife and Fisheries and the Department of Environmental Quality for the ~~state~~State, which may have jurisdiction over the Water Resources set forth in the Plan; which rules, regulations and resolutions -are now in force or may hereinafter be passed. The State, through the Secretary, is hereby given the option of terminating this Agreement should the Water User fail to abide by such rules, regulations and resolutions; provided, however, the State shall give the Water User written notice of any such violation and fifteen (15) days in which to correct such violation, in which event, should said violation not be corrected, the State, without further notice, may, notwithstanding the provisions of Article IV, immediately terminate this Agreement. When the State is notified by the Federal government or any of its agencies of a violation of any of its rules, regulations or resolutions, the State shall as soon as practicable notify the Water User, and may suspend operations under this Agreement while allowing Water User a reasonable set time to resolve the issues with the appropriate Federal authority, and, if resolution is not obtained in a reasonable time, terminate this Agreement.

B. The Water User acknowledges that the withdrawal of water from the Water Resources involves the public interest and may be subject to regulation and oversight by other governmental agencies and changes in law. Water User acknowledges that persons or entities (including without limitation ~~federal~~-Federal and local governments) have, or in the future may acquire, the right to regulate the withdrawal, use and depths of the water in the Water Resources. Water User acknowledges that this Agreement shall be subject to all current and future regulations, and that the State shall not be liable to the Water User for any loss or damage whatsoever resulting from or associated with current or future regulation of the Water Resources nor shall State be liable to any party whatsoever for any loss or damage resulting from water withdrawal under this Agreement.

VI.

INSURANCE:

A. The Water User shall obtain and carry from an insurance company licensed in the State of Louisiana and acceptable to the State, liability or indemnity insurance (or self insurance acceptable to the State) providing minimum coverage of one million (\$1,000,000.00) Dollars per occurrence with respect damages including, but not necessarily limited to, bodily injury, death, property damage or environmental damage suffered by any person or entity resulting from Water User's withdrawal of water from the Water Resources, **with the State named as an additional named insured.**

The policy must be written on an "occurrence" basis; "claims made" coverage is unacceptable.

B. Water User shall obtain and carry worker's compensation insurance complying with all applicable workers' compensation statutes of the State of Louisiana and shall obtain and carry United States Longshoreman and Harbor Workers' Compensation Act coverage on employees if required by law

C. All policies of insurance required to be maintained by Water User shall provide that in the event of cancellation, non-renewal, or material change, thirty (30) days written notice prior to cancellation, non-renewal or material change shall be given to the Secretary by certified mail. Water User shall furnish to the Secretary a certificate evidencing maintenance by Water User of the above required policies. Given the long term nature of this Agreement, the State may, from time to time, require Water User to obtain additional insurance whether it be additional types of insurance and/or an increase in the amount of coverage under the existing insurance policies.

VII.

ENVIRONMENTAL AND OTHER PROTECTION:

A. Water User will comply with all applicable environmental laws and regulations and all other Federal, State, and local laws, regulations and standards that are applicable to Water User's activities, relating to the withdrawal, use and disposal of Water and other waste related to the use of Water from the Water Resources.

B. Water User shall be solely responsible for obtaining at its cost and expense any environmental or other permits or licenses required to withdraw and/or use Water from the Water Resources and for the disposal of Water and other waste related to the use of Water from the Water Resources.

C. Water User shall save, indemnify, defend and hold harmless the State from any costs, expenses, liabilities, fines, or penalties resulting from discharges, emissions, spills, storage, disposal, or any other action committed in connection with the performance of this Agreement by Water User, its officers, agents, employees, or contractors, the invitees of any of them, and third parties, giving rise to the State liability, civil or criminal, or responsibility under Federal, State, or local environmental laws. This provision shall survive the expiration or termination of this Agreement, and Water User's obligations hereunder shall apply whenever the State incurs costs or liabilities of the types described in this Paragraph VII.

D. In connection with the performance of this Agreement, Water User must comply with all Federal, State, and local laws, regulations, and other requirements.

E. Water User shall maintain and make available, within fifteen (15) days of receipt of written notice from the Secretary, to the State all records, inspection logs, and manifests that relate to the withdrawal and use of Water from the Water Resources, as well as all other records required by applicable laws, regulations, and requirements of this Agreement. The State reserves the right to inspect the records of Water User for compliance with Federal, State, and local laws, regulation, and other requirements of law or of this Agreement as the same relate to the withdrawal and/or use of Water from the Water Resources. Violations of laws, regulations or other requirements relating to the withdrawal and/or use of Water from the Water Resources shall be reported by Water User to the State and appropriate regulatory agencies. Water User shall be liable for the payment of any fines and penalties which may accrue as a result of such violations.

However, the foregoing right of the State to inspect shall not be used as a basis of action by Water User against the State.

F. ~~Water User shall not store or otherwise unlawfully allow the discharge of hazardous waste or other waste.~~ The Water User shall use the highest degree of care and all proper safeguards to prevent land or water pollution resulting from Water withdrawal operations pursuant to this Agreement. Water User shall use all means at its disposal to recapture all escaping pollutants and shall be solely responsible for all damages, if any, to aquatic or marine life, wildlife, birds, and any public or private property that may result from any such land, air or water pollution occasioned by Water User's Water withdrawal operations hereunder. Water User shall report all unpermitted discharges of pollutants pursuant to any Federal or State statutes and regulations to the Louisiana Department of Environmental Quality and the Louisiana Office of Conservation within the time required by Federal, State or local laws, but not later than five (5) days from the occurrence, whichever is earlier.

G. Water User is hereby advised to familiarize itself with the State of Louisiana regulations relative to transportation of noxious or invasive aquatic plants or wildlife from one body of water to another and Water User does hereby agree that it will comply with such regulations. Water User acknowledges that transportation of plant material or wildlife may possibly occur as the result of relocating the diversion facility and pumping equipment from one location to another or from one water body to another or by the withdrawal of Water from one water body and discharging into a different water body. Water User agrees to use the highest degree of care and all reasonable and proper safeguards to prevent the transportation of noxious or invasive aquatic plants or wildlife from one body of water to another.

VIII.

PROTECTION OF WETLANDS AND FLOODPLAIN:

In exercising its rights granted in this Agreement, Water User will not allow the unpermitted destruction, loss or degradation of wetlands as that term may be defined in any applicable State or Federal wetlands protection act or regulation, and further, see that its management under this Agreement shall be consistent with the comprehensive master plan for coastal restoration and protection as approved by the Coastal Protection and Restoration Authority and the legislature.

IX.

PUBLIC RIGHTS:

Water User may not take any action which restricts the right of the public to reasonably use the Water Resources, including, without limitation, the right to fish.

X.

ACCESS TO WATER:

Water User shall be responsible for securing authorization, easements, rights-of-way, leases or permission of land owners to obtain access to the water at the withdrawal points. This Agreement does not provide access to the Water Resources. At the time of contracting, Water User warrants that he has secured the necessary consent to withdraw water from the locations indicated in the Plan.

XI.

MISCELLANEOUS:

- A. Water User may not mortgage, pledge, or hypothecate this Agreement nor subject it to seizure and sale without the written consent of the Secretary. This Agreement may not be assigned or sold without prior written consent of the Secretary.
- B. Upon termination of this Agreement, Water User shall leave the Water Resources in the same good order as the resources were in at the commencement of this Agreement, including restoration of landscape where necessary, and shall remove all machinery, implements, property and improvements placed in the Water Resources.
- C. This Agreement is entered into by the parties hereto, subject to the provisions of the applicable ~~federal~~Federal, ~~state~~State and local laws presently in force or any amendments thereto, and nothing contained herein shall be construed as exempting Water User from obtaining and complying with any permits, licenses or laws applicable to the Water withdrawal herein contemplated or the use and disposal of such Water.
- D. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Louisiana. This Agreement is a public record and a copy must be provided to anyone requesting same.
- E. All notices and communications under this Agreement shall be sufficiently given and shall be deemed given when sent by certified mail, postage prepaid, or other recognized delivery methods mutually agreed to, addressed to the last address designated in writing by the respective party for receipt of notice. Water User, its successors or assigns, shall notify the Secretary by certified mail of any change of address, telephone number or contact party within thirty (30) days of said change; failure to do so shall render notice to the last known address as legal notice.
- F. In the event any provision of this Agreement is held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision.
- G. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions of this Agreement.
- H. This Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein expressed or implied shall give rise to or be construed to give to any person, other than the parties hereto and such assigns, any legal or equitable rights hereunder. All references herein to the enforceability of agreements with third parties, the existence or non-existence of third-party rights, the absence of breaches or defaults by third parties, or similar matters or statements, are intended only to allocate rights and risks between the parties and were not intended to be admissions against interests, give rise to any inference or proof of accuracy, be admissible against any party by any non-party, or give rise to any claim or benefit to any non-party.
- I. Water User shall maintain its records and accounts of the quantity of water withdrawn pursuant to this Agreement for three (3) years from the date this Agreement is terminated.

THUS DONE, READ, ACCEPTED, AND SIGNED by the parties hereto in the presence of the respective undersigned witnesses, as of the _____ day of _____, _____, which shall be the date of this agreement for all purposes.

WITNESSES to the signature of Grantor:

Printed Name: _____

DEPARTMENT OF NATURAL RESOURCES

Printed Name: _____

By: _____
Scott A. Angelle, Secretary (Grantor)

WITNESSES to the signature of Water User:

Printed Name: _____

_____, Water User

Printed Name: _____

By: _____
Printed Name: _____

**WITNESS FORM OF ACKNOWLEDGMENT
FOR THE DEPARTMENT OF NATURAL RESOURCES**

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

Before me, the undersigned authority, personally came and appeared _____, who by me being first being duly sworn, deposed and said:

That he is one of the witnesses to the execution of the foregoing instrument and that he saw _____ sign said instrument as _____ of the Department of Natural Resources for and on behalf of the State of Louisiana, in the presence of appearer and _____ the other subscribing witness.

Sworn to and subscribed before me on this the _____ day of _____.

Printed Name: _____
Appearer

Notary Public

**WITNESS FORM OF ACKNOWLEDGMENT
FOR CORPORATE WATER USER**

STATE OF _____
OF _____

Before me, the undersigned authority, personally came and appeared _____, who by me being first being duly sworn, deposed and said:

That he is one of the witnesses to the execution of the foregoing instrument and that he saw _____ sign said instrument as _____ of the free act and deed of said corporation in the presence of appearer and _____ the other subscribing witness.

Sworn to and subscribed before me on this the _____ day of _____.

Printed Name: _____
Appearer

Notary Public

WITNESS FORM OF ACKNOWLEDGMENT FOR INDIVIDUAL WATER USER

STATE OF _____
OF _____

Before me, the undersigned authority, personally came and appeared _____, who by me being first being duly sworn, deposed and said:

That he is one of the witnesses to the execution of the foregoing instrument and that he saw _____ sign said instrument as _____ as his/her free act and deed in the presence of appearer and _____, the other subscribing witness.

Sworn to and subscribed before me on this the _____ day of _____, _____.

Printed Name: _____, Appearer

Notary Public

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

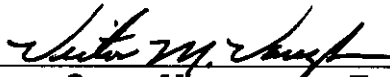
WHEREAS, a request was made for final approval of the Operating Agreement presented by and between the State Mineral and Energy Board and Walter Oil & Gas Corporation, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 25% before payout, increasing to 26% after payout in and to the Operating Tract, whereas Operator desires and intends to re-establish production from the "VUA; State Lease No. 1 Well (SN 242622)", Cameron Parish, Louisiana, containing 489.1611 acres, more or less, covering a portion of former State Lease Nos. 20349 and 20350, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-43.

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant final approval of grant final approval of the Operating Agreement presented by and between the State Mineral and Energy Board and Walter Oil & Gas Corporation, on the docket as Item No. 11-43.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

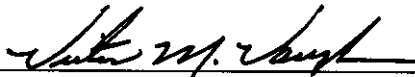
WHEREAS, a request was made for final approval of the Lease Amendment by and between the State of Louisiana, through the State Mineral and Energy Board and Apache Corporation, whereas said parties desire to amend said lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 988, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-45;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Lease Amendment by and between the State of Louisiana, through the State Mineral and Energy Board and Apache Corporation, on the docket as Item No. 11-45.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

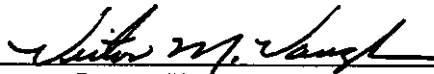
WHEREAS, a request was made for final approval of the Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Apache Corporation, whereas said parties desire to amend said lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 3401, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-46;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Apache Corporation, on the docket as Item No. 11-46.

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 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

WHEREAS, a request was made for final approval of the Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Apache Corporation, whereas said parties desire to amend said lease to include a Force Majeure Provision and other required clauses, affecting State Lease Nos. 3771 and 3773, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-47;

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

NOW, BE IT THEREFORE RESOLVED, the Committee recommends that the State Mineral and Energy Board grant final approval of the Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Apache Corporation, on the docket as Item No. 11-47.

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 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

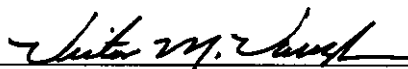
WHEREAS, a request was made for final approval of the Second Amendment to that certain Unitization Agreement, effective May 14, 2008, by and between the State Mineral and Energy Board, Bamboo Investments, LLC, J & S Oil & Gas, LLC, Lewiston Atlas, Ltd., Madison, LLC, Stokes & Spiehler, Inc. and XPLOR Energy SPV-1, whereas said parties desire to amend said Unitization Agreement to contain those certain tracts of land comprising all or portions of State Lease Nos. 18423, 18521, 18524, 19031, 19190 and 19292 and 20473, containing approximately 1,134.79 acres as depicted and shown more clearly on the plat attached hereto and made a part hereof as Exhibit "A", also the tracts and surface areas in each and the percentages of participation in each tract are also hereby amended and shown on the attached Exhibit "A", affecting State Lease Nos. 18423, 18521, 18524, 19031, 19190, 19292 and 20473, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-49;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Second Amendment to that certain Unitization Agreement, effective May 14, 2008, by and between the State Mineral and Energy Board, Bamboo Investments, LLC, J & S Oil & Gas, LLC, Lewiston Atlas, Ltd., Madison, LLC, Stokes & Spiehler, Inc. and XPLOR Energy SPV-1, on the docket as Item No. 11-49.

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 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

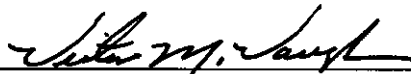
WHEREAS, a request was made for final approval of the Operating Agreement by and between the State Mineral and Energy Board and Hilcorp Energy I, L.P., to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 23% before payout, increasing to 25% after payout, in and to the Operating Tract, whereas Operator desires and intends to re-establish production from the VU16;BSE U16 Well No. 8 Well (SN 141966), containing 39.564 acres, more or less, covering Former State Lease No. 18408, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-51;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Operating Agreement by and between the State Mineral and Energy Board and Hilcorp Energy I, L.P., on the docket as Item No. 11-51.

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 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

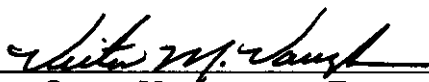
WHEREAS, a request was made by Saratoga Resources, Inc. on behalf of Harvest Oil & Gas, LLC to extend the primary term of State Lease Nos. 19971, 19967, 19968, and 19969 for an additional two (2) years wherein Saratoga would pay the bonus for each lease for the first year of the extension and increase the royalty by one-half percent for each lease;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board approve, in principle, the amending of State Lease Nos. 19971, 19967, 19968 and 19969 to extend their respective primary terms for an additional year in consideration of a full bonus payment on each lease and an increase of 0.5% royalty on each lease, with an option to further extend the primary term for an additional year in consideration of the payment of a full bonus on each lease only, if the option is exercised, subject to the drafting of a suitable amendment document, execution of same, it being duly advertised and placed on the Docket for final approval.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

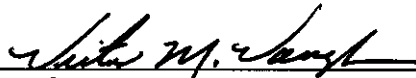
WHEREAS, a request was made by Apache Corporation for an Operating Agreement covering 720 acres located in Rigolets Field which was previously comprised of acreage contained in former State Lease Nos. 6646 and 6647;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant Staff the authority to negotiate an operating agreement with Apache on the unleased State acreage within the TUSC RA NVU"B" and remove the acreage in question from availability for leasing pending the confection of said operating agreement, but for not more than ninety (90) days or until the March, 2012 Mineral and Energy Board Meeting, whichever is later.

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 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

WHEREAS, a request was made by PetroQuest Energy, L.L.C. to escrow royalties attributable to title-disputed acreage on State Lease No. 20181;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant PetroQuest Energy L.L.C. the authority to deposit funds in an escrow account, subject to the standard OMR escrow account requirements, for a period not to extend beyond February 29, 2012, or until a concursus petition is filed, whichever occurs first.

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 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

WHEREAS, a request was made by ExPert Oil & Gas, L.L.C. for an Operating Agreement on State Lease No. 19896 acreage included in the Lorio RC SUA created by the Office of Conservation No. 596-A-6. Due to the fact that an estimated 1.10 acres of the Lorio Unit, Iberville Parish, will be effected by the expiration of the primary term of State Lease No. 19896 on December 10, 2011, Expert Oil & Gas, L.L.C. also requests that any acreage covered by State Lease No. 19896 be deemed unavailable for leasing while negotiations are ongoing for a period not to exceed the date of the third Mineral and Energy Board Meeting after the Board has authorized negotiations;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant Staff the authority to negotiate with ExPert Oil & Gas, L.L.C. for an Operating Agreement on State Lease No. 19896 acreage included in the Lorio RC SUA created by the Office of Conservation No. 596-A-6 and to remove the acreage in question from availability for leasing pending the confection of said operating agreement for a period not to exceed the date of the third Mineral and Energy Board Meeting after the Board has authorized negotiations.

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 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

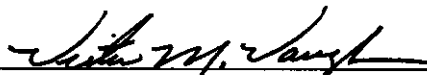
WHEREAS, a request was made by LLOG Exploration Company, L.L.C. to escrow royalties on disputed acreage as it pertains to State Lease No. 19639, located in Vermillion Parish;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant LLOG Exploration the authority to deposit royalties into an escrow account, subject to the standard OMR escrow account requirements, for a period not to exceed 90 days, or until a concursus petition is filed, whichever occurs first.

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 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

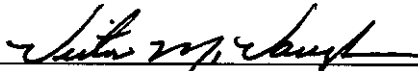
WHEREAS, a request was made by Staff for approval of minor changes to language contained in the Louisiana Running Surface Water Use Cooperative Endeavor Agreement form;

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

NOW, BE IT THEREFORE RESOLVED, the Committee recommends that the State Mineral and Energy Board grant approval of the minor changes to language contained in the Louisiana Running Surface Water Use Cooperative Endeavor Agreement form proposed by Staff.

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 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

WHEREAS, a request was made by McMoRan for an extension of time in which to plug and abandon Well No. 226623 in accordance with the provisions of State Lease No. 14561, until June 30, 2012;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant McMoRan an extension of time in which to plug and abandon Well No. 226623 in accordance with the provisions of State Lease No. 14561, until June 30, 2012.

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 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

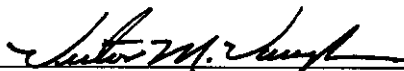
WHEREAS, a discussion in executive session was held regarding the offers/counter offers made regarding Chesapeake Louisiana, L.P.'s request for an Operating Agreement covering a total of +/- 899 acres located in Sections 13, 14, 15, 23 and 24, T14N, R12W, DeSoto and Red River Parishes, Louisiana, portions of which are in title controversy with the Albrittons. This matter has resulted in the filing of a Complaint by Chesapeake entitled: Chesapeake Louisiana, L.P. v. State of Louisiana, et al, Suit No. 3:11-CV-00772-BAJ-SCR, U.S. District Court, Middle District of Louisiana;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board to grant Staff the authority to reject Chesapeake Louisiana, L.P.'s counter offer and submit a counter offer to Chesapeake Louisiana, L.P.'s last counter offer.

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 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

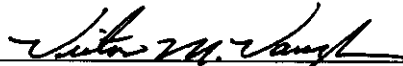
WHEREAS, a discussion in executive session of suit entitled: Devon Energy Production Company, L.P. v. Gail Norton, et al, Civil Action No. 04-2093, United States District Court, Western District of Louisiana;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant Staff the authority to release KCS/Petrohawk, the predecessor to Devon Energy Production Company, L.P., from any liability to the State of Louisiana for payment of royalties associated with the dispute.

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 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



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

DOCKET REVIEW COMMITTEE REPORT

The Docket Review Committee convened at 10:45 a.m. on Wednesday, December 14, 2011. Board Members present were Mr. Robert D. Harper, Ms. Helen G. Smith, Mr. Thomas L. Arnold, Jr., Mr. Emile Cordaro, Mr. Darryl D. Smith, Mr. W. Paul Segura, Jr. and Mr. Chip Kline (sitting in for Garret Graves, Governor Jindal's designee to the State Mineral and Energy Board)

The Committee made the following recommendations:

Approve State Agency Leases A, B, C, D and E on pages 1, 2 and 3;

Approve all Assignments on pages 4 through 19; Nos. 7, 8, 16, 18 and 23 on pages 6, 8, 9 and 11 would be approved subject to the approval of the Governor of Louisiana;

Approve the following items: Docket Item Nos. 11-44, 11-48 and 11-49 on pages 20, 21 and 22;

Approve the following item: Docket Item No. 11-50 on page 22 would be approved subject to the approval of the Governor of Louisiana;

Approve the following items upon recommendation of the Legal and Title Controversy Committee: Docket Item Nos. 11-43, 11-45, 11-46, 11-47 and 11-51 on pages 20, 21 and 22.

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

There being no further business to come before the committee, upon motion of Mr. Smith, and seconded by Mr. Segura, the committee voted unanimously to adjourn the meeting at 10:50 a.m.

Respectfully submitted,

Handwritten signature of Thomas L. Arnold, Jr. in black ink, written over a horizontal line.

Thomas L. Arnold, Jr.
Acting Chairman
Docket Review Committee

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the December 14, 2011 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Vermilion Parish School Board, dated October 7, 2011, awarded to Doerr Operating, L.L.C., covering lands located in Section 3, Township 16 South, Range 1 West, Vermilion Parish, Louisiana, containing 5.024 acres, more or less, with further contractual obligations being more enumerated in the instrument.

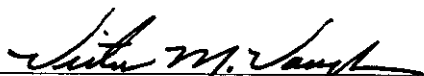
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item B from the December 14, 2011 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Lafourche Parish School Board, dated October 26, 2011, awarded to ORX Exploration, Inc., covering lands located in Section 72, Township 17 South, Range 19 East, Lafourche Parish, Louisiana, containing 5.12 acres, more or less, with further contractual obligations being more enumerated in the instrument.

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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item C from the December 14, 2011 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Plaquemines Parish Government, dated September 22, 2011, awarded to Hilcorp Energy I, L.P., covering lands located in Section 4, Township 22 South, Range 30 East, Plaquemines Parish, Louisiana, containing 263.92 acres, more or less, with further contractual obligations being more enumerated in the instrument.

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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item D from the December 14, 2011 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Cameron Parish School Board, dated October 27, 2011, awarded to Allen & Kirmse, Ltd., covering lands located in Section 16, Township 15 South, Range 15 West, Cameron Parish, Louisiana, containing 320 acres, more or less, with further contractual obligations being more enumerated in the instrument.

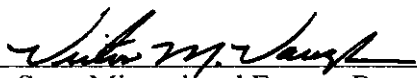
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item E from the December 14, 2011 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Vermilion Parish School Board, dated October 10, 2011, awarded to Mack Oil Co., covering lands located in all or part of Section 16, Township 13 South, Range 3 East, Vermilion Parish, Louisiana, containing 49.53 acres, more or less, with further contractual obligations being more enumerated in the instrument.


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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Smith seconded by Mr. Segura, the following Resolution was offered and adopted.

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 1 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Bellard & Company, Inc. to Whittier Energy Company, Inc., of all of Assignor's right, title and interest in and to State Lease Nos. 20723 and 20728, St. Landry Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Smith seconded by Mr. Segura, the following Resolution was offered and adopted.

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Bellard & Company, Inc. to Whittier Energy Company, Inc., of all of Assignor's right, title and interest in and to State Lease No. 20703, St Landry Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Arceneaux Land Services, Inc. to Whittier Energy Company, Inc., of all of Assignor's right, title and interest in and to State Lease No. 20729, St. Landry Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

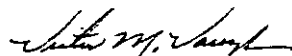
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Cypress Energy Corporation to Houston Energy, L.P., of all of Assignor's right, title and interest in and to State Lease No. 20549, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas and Land Services, L.L.C. to Goldking Resources, LLC, of all of Assignor's right, title and interest in and to State Lease No. 20541, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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


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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Smith seconded by Mr. Segura, the following Resolution was offered and adopted.

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from XTO Offshore Inc to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease Nos. 1230, 1999, 2000, 4409, 4574 and 15958, Plaquemines and St Bernard Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

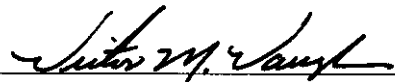
LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 7 from the December 14, 2011, Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being a Correction of Resolution No. 40 from the August 9, 2006 Meeting, being an Assignment from Pogo Producing Company to MitEnergy Upstream LLC, whereas State Lease No. 340, Iberia, St. Mary and Vermilion Parishes, Louisiana, was incorrectly added to said resolution and is hereby being deleted **AND** Stat Lease No. 16633, Plaquemines Parish, Louisiana, was omitted from said resolution and is hereby being added, affecting State Lease Nos. 340 and 16633, Iberia, St. Mary, Plaquemines and Vermilion Parishes, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

Approved as per Executive Order BJ 2008-10
Bobby Jindal, Governor

By: _____

Scott A. Angelle
Chairman, State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 8 from the December 14, 2011 Meeting be approved, said instrument being a Merger whereby McMoRan Gulf Properties LLC and McMoRan Offshore LLC are merging with and into McMoran Oil & Gas LLC, under the name of McMoran Oil & Gas LLC, affecting State Lease Nos. 356, 14216, 14217, 14519, 14520, 14560, 14912, 14914, 14915, 14933, 14954, 16298, 16795, 16859, 17376, 17378, 17432, 17689, 17691, 17739, 17767, 17965, 19079, 19500, 19514, 20020 and 20117, Iberia, Jefferson, Plaquemines, St Martin and St Mary Parishes, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

Approved as per Executive Order BJ 2008-10
Bobby Jindal, Governor

By: 
Scott A. Angelle
Chairman, State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Smith seconded by Mr. Segura, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 9 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Merit Energy Services, L.L.C. to Century Exploration Houston, LLC, of all of Assignor's right, title and interest in and to State Lease No. 20673, Allen Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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


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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Bellard & Company, Inc. to Whittier Energy Company, Inc., of all of Assignor's right, title and interest in and to State Lease No. 20759, St. Landry Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

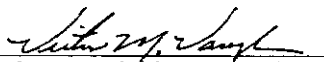
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

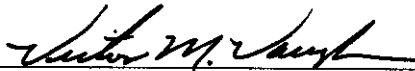
LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11 from the December 14, 2011, Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being a Correction of Resolution No. 12 from the October 12, 2011 Meeting, being an Assignment from DC Energy, LLC to Triumph Energy I, LLC, whereas State Lease Nos. 1958 and 2125 were omitted from said resolution and are hereby being added, affecting State Lease Nos. 1958, 2125, 20101 and 20103, Plaquemines Parish, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

Approved as per Executive Order BJ 2008-10
Bobby Jindal, Governor

By: 

Scott A. Angelle
Chairman, State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 12 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Anadarko E&P Company LP to Swift Energy Operating, LLC, an undivided 50% of all of Assignor's right, title and interest in and to State Lease Nos. 20290, 20317, 20318, 20321 and 20325, Vernon Parish, Louisiana, with further particulars being stipulated in the instrument.

Anadarko E&P Company LP is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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


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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13 from the December 14, 2011 Meeting be approved, said instrument being a Change of Name whereby COG-EPCO 1992 Limited Partnership is changing its name to COG-EPCO 1992 Limited Liability Limited Partnership, affecting State Lease Nos 6121 and 14674, East Baton Rouge, Pointe Coupee and West Baton Rouge Parishes, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

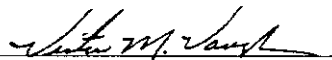
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Smith seconded by Mr. Segura, the following Resolution was offered and adopted.

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 14 from the December 14, 2011 Meeting be approved, said instrument being an Assignment and Correction of Assignment from Cat Walk, LLC to William Thurwachter, a 1% of 8/8ths interest in and to State Lease Nos 19154 and 19155, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

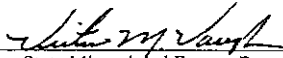
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 15 from the December 14, 2011 Meeting be approved, said instrument being an Assignment and Correction of Assignment from H Hal McKinney to William Thurwachter, an undivided .2% of 8/8ths interest in and to State Lease Nos. 19154 and 19155, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

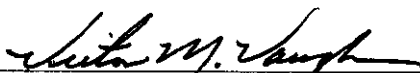
LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16 from the December 14, 2011, Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being a Correction of Resolution No. 22 from the May 14, 2008, being an Assignment from McMoRan Oil & Gas LLC to Palace Exploration Company, whereas said resolution incorrectly read..."from the December 12, 2207 Meeting" and is hereby being corrected to read..."from the December 12, 2007", affecting State Lease No. 340, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

Approved as per Executive Order BJ 2008-10
Bobby Jindal, Governor

By: _____

Scott A. Angelle
Chairman, State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Smith seconded by Mr. Segura, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Amoco Production Company to Shana Petroleum Company, of all of Assignor's right, title and interest in and to State Lease No. 7729, Livingston Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers rights between the surface of the earth and the base of the Wilcox Formation, defined as the stratigraphic equivalent of 12,545' (ELM) as seen in the Amoco-Barnett Heirs #1 Well, located in Section 20, T6S-R3E, Livingston Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

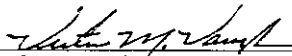
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

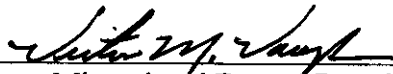
LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18 from the December 14, 2011, Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being a Correction of Resolution No. 56 from the February 13, 2002 Meeting, being a Merger whereby Vastar Resources, Inc. is merging with and into Amoco Production Company, under the name of BP America Production Company, whereas State Lease Nos. 42, 335, 1814, 2857, 4183, 7729 and 14108 were omitted from said resolution and are hereby being added, affecting State Lease Nos. 42, 82, 328, 329, 335, 340, 376, 764, 861, 862, 872, 978, 1814, 2178, 2179, 2220, 2221, 2225, 2374, 2857, 3011, 3154, 3240, 3522, 3734, 4147, 4183, 4190, 4250, 5121, 5623, 5986, 6863, 6864, 7636, 7719, 7729, 8015, 10426, 12104, 13718, 14108, 14674, 14893, 14910, 14911, 14927, 15040, 15736, 16484, 16486, 16487, 16539, 17035 and Operating Agreement "A0076", Assumption, Avoyelles, Caddo, Calcasieu, Concordia, DeSoto, East Baton Rouge, Iberia, Iberville, Jefferson, Lafourche, Livingston, Madison, Plaquemines, Pointe Coupee, Richland, St. Bernard, St. Martin, St. Mary, Terrebonne, Vermilion and West Baton Rouge Parishes, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

Approved as per Executive Order BJ 2008-10
Bobby Jindal, Governor

By: 
Scott A. Angelle
Chairman, State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 19 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from BP America Production Company to Hilcorp Energy I, L.P., of all of Assignor's right, title and interest in and to State Lease No. 7729, Livingston Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 20 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from DKD Petroleum, LLC to DKD, LLC, of all of Assignor's right, title and interest in and to State Lease No 17462, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 21 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Energy XXI Onshore, LLC to Shoreline Offshore LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 4236, 5792 and 19022, Iberia and St. Mary Parishes, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to those depths from the surface to 100' below the base of the 20 Sand, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

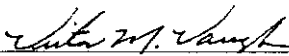
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 22 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Energy XXI Onshore, LLC to Shoreline Southeast LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 2395, 12036, 12499, 14108, 15470, 15855, 17754, 17755, 17895, 17967, 17968, 18645, 18646, 18727, 18887 and 19039, Cameron, Iberia, Jefferson, Lafourche, Plaquemines, St. Martin, St. Mary, Terrebonne and Vermilion Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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


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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 23 from the December 14, 2011 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from Energy XXI Onshore, LLC to Shoreline Southeast LLC, of all of Assignor's right, title and interest in and to State Lease No. 340, Iberia and St. Mary Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

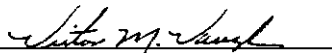
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

Approved as per Executive Order BJ 2008-10
Bobby Jindal, Governor

By. 
Scott A. Angelle
Chairman, State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 24 from the December 14, 2011 Meeting be approved, said instrument being a Judgment of Possession of the Succession of Alice Ward Fowler, whereas Sanders Fowler III and Hallie Fowler Hart, in equal portions are hereby being sent into possession of all of the property whatsoever belonging to Alice Ward Fowler, affecting State Lease No. 13582, Lincoln Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 25 from the December 14, 2011 Meeting be approved, said instrument being a Judgment of Possession of the Succession of Joseph L. Hargrove, whereas Martha Dean Hargrove has been sent into possession of ½ of the community property and that Joseph L. Hargrove, Jr., Kemerton Dean Hargrove and R. Clyde Hargrove, II, has been sent into possession in equal proportions, the other ½, subject to a lifetime usufruct in favor of Martha Dean Hargrove, affecting State Lease No. 13582, Lincoln Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

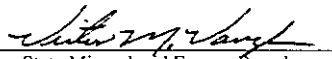
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 26 from the December 14, 2011 Meeting be approved, said instrument being a Judgment of Possession of the Succession of Martha Dean Hargrove Glassell, whereas the following people have been sent into possession of the Decedent's property in the proportions set out below.

Joseph L. Hargrove, Jr.	1/3
Kemerton Dean Hargrove	1/3
R. Clyde Hargrove, II	1/3

in and to State Lease No. 13582, Lincoln Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

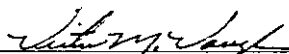
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Smith seconded by Mr. Segura, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 27 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Robert P Evans and Carolyn Simms Evans to Comsite, L L C , of all of Assignor's right, title and interest in and to State Lease No. 13582, Lincoln Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 28 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Comsite, L L C to EnSight Energy Partners, LP, of all of Assignor's right, title and interest in and to State Lease No. 13582, Lincoln Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

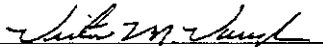
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Smith seconded by Mr. Segura, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 29 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from EnSight Energy Partners LP to Comstock Oil & Gas LP, of all of Assignor's right, title and interest in and to State Lease No 13582, Lincoln Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

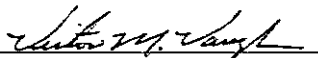
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Smith seconded by Mr. Segura, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 30 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Comstock Oil & Gas LP to Comstock Oil & Gas- Louisiana LLC, of all of Assignor's right, title and interest in and to State Lease No. 13582, Lincoln Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Smith seconded by Mr. Segura, the following Resolution was offered and adopted.

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 31 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Comstock Oil & Gas- Louisiana, L.L.C., Hilliard Petroleum, Inc., Sanders Fowler, III, a single man, Hallie Fowler Hart, a single woman, Joseph L. Hargrove, Jr., husband of Nancy Hargrove, heir of Joseph L. Hargrove, dealing herein with his separate property, Kamerton D. Hargrove, husband of Gayla Byrd Hargrove, heir of Joseph L. Hargrove, dealing herein with his separate property, R. Clyde Hargrove, II, husband of Lisa Allen Hargrove, heir of Joseph L. Hargrove, dealing herein with separate property, Martha Elizabeth O'Brien, a single woman, Martex Drilling Company, Quenton B. Carlile, husband of Mildred Carlile, Kenneth Q. Carlile, husband of Cecilia Carlile, Steve B. Carlile, husband of Penny Carlile, Mike Woodfin, husband of Charlotte Woodfin, George E. Fitts, husband of Mary Fitts, Mingiewood, Inc., Franks Petroleum Inc., John David Crow, Executor of The Succession of David Crow, Crow Horizons Company, Melissa Palmer Harbuck, wife of Christopher Harbuck, Shuler Drilling Company, Inc., GS Drilling, Inc., Mooringsport Energy Production Corporation, a/k/a MEPCO, Shelby Oil & Gas, Inc., a/k/a Shelby Oil & Gas Company, Inc., Daryl R. Fultz, husband of Marlene Fultz, C. Allen Williams, husband of Amy Pleasant Williams, Lacy H. Williams, II, husband of Michelle Williams, Evelyn A. Williams, a single woman, Claire B. Williams, a single woman, and Will-Drill Resources, Inc., of all of Assignor's right, title and interest to the following in the proportions set out below

Tensas Delta Exploration Company, L.L.C.	97.50%
Sartor Oil Properties, L.L.C.	2.50%

in and to State Lease No. 13582, Lincoln Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers lands between the depths of 8,990'-9,856', with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Smith seconded by Mr. Segura, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 32 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from the Succession of Leo Robert Brammer, Jr., by Quinton T. Hardner, III, as Independent Executor of the Succession to the following in the proportions set out below

Tensas Delta Exploration Company, L L C	97.50%
Sartor Oil Properties, L L C	2.50%

in and to State Lease No. 13582, Lincoln Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 33 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Tensas Delta Exploration Company LLC and Sartor Oil Properties, L L C to Will-Drill Resources, Inc., an undivided 43.75% of Assignor's right, title and interest in and to State Lease No. 13582, Lincoln Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers depths greater than the stratigraphic equivalent of 100' below the total depth drilled at 8,200' in the Will-Drill Production Company, Inc HOSS RA SUJ; C A Reeves #1 Well, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 34 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Will Drill Resources Inc., an undivided interest to the following in the proportions set out below.

Edward L. Yarbrough, Jr.	0.200000%
Franks Petroleum Inc.	9.800000%
Comstock Oil & Gas LP	6.250000%
G & G Production LLC	4.000000%
Hard Rock Petroleum, LLC	.250000%

in and to State Lease No. 13582, Lincoln Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers depths greater than the stratigraphic equivalent of 100' below the total depth drilled at 8,200' in the Will-Drill Production Company, Inc. HOSS RA SUJ, C.A. Reeves #1 Well, with further particulars being stipulated in the instrument.

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

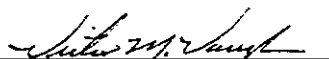
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Smith seconded by Mr. Segura, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 35 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Will Drill Resources Inc. to People's Energy Production-Texas, L.P., of all of Assignor's right, title and interest in and to State Lease No. 13582, Lincoln Parish, Louisiana, with further particulars being stipulated in the instrument.

People's Energy Production- Texas, L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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


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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 36 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Franks Petroleum, Inc. to Sunset Petroleum, Inc., of all of Assignor's right, title and interest in and to State Lease No. 13582, Lincoln Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

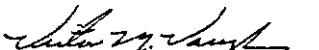
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 37 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from People's Energy Production- Texas, L.P. to Coronado Energy E&P Company LLC, of all of Assignor's right, title and interest in and to State Lease No. 13582, Lincoln Parish, Louisiana, with further particulars being stipulated in the instrument

Coronado Energy E&P Company LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

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

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

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

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

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

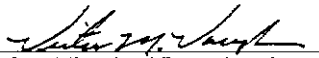
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 38 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Tensas Delta Exploration Company LLC and Sartor Oil Properties, L.L.C., an undivided interest to the following in the proportions set out below.

Edward L. Yarbough, Jr.	.0008750
Sunset Petroleum, Inc	.0428750
Comstock Oil & Gas- Louisiana, L L C	0273437
G & G Production, L L C	.0175000
Hard Rock Petroleum, L L.C.	0010937
Coronado Energy E&P Company, L.L.C.	.348126

in and to State Lease No 13582, Lincoln Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers depths greater than the stratigraphic equivalent of 100' below the total depth drilled at 8,200' in the Will-Drill Production Company, Inc. HOSS RA SUJ; C A. Reeves #1 Well, with further particulars being stipulated in the instrument

Coronado Energy E&P Company, L L C is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 39 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Tensas Delta Exploration Company LLC to Indigo Minerals, LLC, of all of Assignor's right, title and interest in and to State Lease No. 13582, Lincoln Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

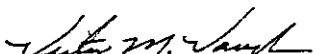
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 40 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Sunset Petroleum, Inc and Edward L. Yarbrough, Jr. and wife, Deborah A. Yarbrough to Indigo Minerals, LLC, of all of Assignor's right, title and interest in and to State Lease No 13582, Lincoln Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

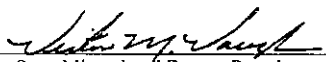
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 41 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from A.E. Dean, Jr. and Carolyn B. Dean, Wayne Creek Resources-C, L.L.C., C. Allen Williams and wife, Amy Pleasants Williams, EGN Investment Co., L.L.C., Butt Partners, L.L.C., Owbow Exploration Co., L.L.C., Richard James Crandall and wife, Tammy Jo Case Crandall, Shelby Oil & Gas, Inc., Triple J. Investment Co., L.L.C., Ken Carlile and wife Celia Carlile, Martex Drilling Co, Martha Elizabeth O'Brien, a single woman, Minglewood, Inc., George Fitts and wife Mary Fitts, MiCa Resources, L.L.C. and Paluxy Minerals Corporation to Coronado Energy E&P Company LLC, of all of Assignor's right, title and interest in and to State Lease No. 13582, Lincoln Parish, Louisiana, with further particulars being stipulated in the instrument

Coronado Energy E&P Company LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

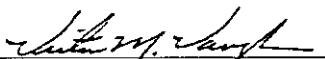
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 42 from the December 14, 2011 Meeting be approved, said instrument being an Assignment from Coronado Energy E&P Company LLC to Indigo Minerals, LLC, of all of Assignor's right, title and interest in and to State Lease No. 13582, Lincoln Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-43 from the December 14, 2011, Meeting be approved, said instrument being an Operating Agreement presented by and between the State Mineral and Energy Board and Walter Oil & Gas Corporation, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 25% before payout, increasing to 26% after payout in and to the Operating Tract, whereas Operator desires and intends to re-establish production from the "VUA; State Lease No. 1 Well (SN 242622)", Cameron Parish, Louisiana, containing 489.1611 acres, more or less, covering a portion of former State Lease Nos. 20349 and 20350, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

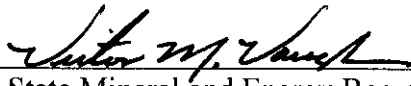
On motion of Mr. Smith, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-44 from the December 14, 2011, Meeting be approved, said instrument being a Unitization Agreement presented by Energy XXI GOM, LLC, to create a 785 acre unit, more or less, identified as the “**Energy XXI GOM, L.L.C.- Grand Isle Block 16 Field- VUA**”, with 142 acres being attributable to State Lease No. 14031, 617 acres being attributable to State Lease No. 18737 and 26 acres being attributable to State Lease No. 18738, Grand Isle Block 16 Field, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-45 from the December 14, 2011, Meeting be approved, said instrument being a Lease Amendment by and between the State of Louisiana, through the State Mineral and Energy Board and Apache Corporation, whereas said parties desire to amend said lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 988, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-46 from the December 14, 2011, Meeting be approved, said instrument being a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Apache Corporation, whereas said parties desire to amend said lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 3401, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

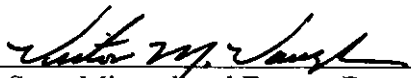
On motion of Mr. Smith, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-47 from the December 14, 2011, Meeting be approved, said instrument being a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Apache Corporation, whereas said parties desire to amend said lease to include a Force Majeure Provision and other required clauses, affecting State Lease Nos. 3771 and 3773, Plaquemines and St. Bernard Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

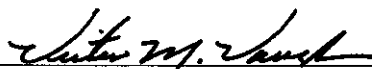
On motion of Mr. Smith, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-48 from the December 14, 2011, Meeting be approved, said instrument being a Unitization Agreement presented by Castex Energy Partners, LP, Apache Corporation, Petsec Exploration & Production LLC, GOME 1271, LLC and Theophilus Oil, Gas & Land Services, LLC, to create a 2,539.68 acre unit, more or less, identified as the "Castex Energy, Inc. - VUB", with 487.40 acres being attributable to State Lease No. 20221, 20.45 acres being attributable to State Lease No. 20367, 266.75 acres being attributable to State Lease No. 20368, 235.85 acres being attributable to State Lease No. 20369, 303.48 acres being attributable to State Lease No. 20528, 649.43 acres being attributable to State Lease No. 20529, 117.13 acres being attributable to State Lease No. 20530 and 459.19 acres being attributable to State Lease No. 20753, Atchafalaya Bay Field, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD


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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-49 from the December 14, 2011, Meeting be approved, said instrument being a Second Amendment to that certain Unitization Agreement, effective May 14, 2008, by and between the State Mineral and Energy Board, Bamboo Investments, LLC, J & S Oil & Gas, LLC, Lewiston Atlas, Ltd., Madison, LLC, Stokes & Spiehler, Inc. and XPLOR Energy SPV-1, whereas said parties desire to amend said Unitization Agreement to contain those certain tracts of land comprising all or portions of State Lease Nos. 18423, 18521, 18524, 19031, 19190 and 19292 and 20473, containing approximately 1,134.79 acres as depicted and shown more clearly on the plat attached hereto and made a part hereof as Exhibit "A", also the tracts and surface areas in each and the percentages of participation in each tract are also hereby amended and shown on the attached Exhibit "A", affecting State Lease Nos. 18423, 18521, 18524, 19031, 19190, 19292 and 20473, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

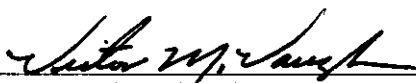
On motion of Mr. Smith, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-50 from the December 14, 2011, Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being a Unitization Agreement presented by Hilcorp Energy I, L.P., to create a 46.300 acre unit, more or less, identified as the "4-1 R100 VU", with 5.318 acres being attributable to State Lease No. 199, 39.564 acres being attributable to proposed Operating Agreement "A0319" and the remaining acreage being attributable to private ownership, Bay St. Elaine Field, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

Approved as per Executive Order BJ 2008-10
Bobby Jindal, Governor

By: _____



Scott A. Angelle
Chairman, State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

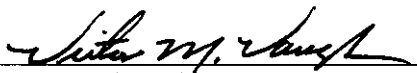
On motion of Mr. Smith, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-51 from the December 14, 2011, Meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board and Hilcorp Energy I, L.P., to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 23% before payout, increasing to 25% after payout, in and to the Operating Tract, whereas Operator desires and intends to re-establish production from the VU16; BSE U16 Well No. 8 Well (SN 141966), containing 39.564 acres, more or less, covering Former State Lease No. 18408, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board