

# **MINUTES**

## **STATE MINERAL AND ENERGY BOARD**

### **LEASE SALE AND BOARD MEETING**

**JANUARY 11, 2017**

JOHN BEL EDWARDS  
GOVERNOR



THOMAS F. HARRIS  
SECRETARY

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

**Opening of Bids**  
**January 11, 2017**

A public meeting for the purpose of opening sealed bids was held on Wednesday, January 11, 2017, beginning at 8:30 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

David Boulet, Assistant Secretary of the Office of Mineral Resources  
Stacey Talley, Deputy Assistant Secretary of the Office of Mineral Resources  
Rachel Newman, Director - Mineral Income Division  
Boyd Handley, Administrator – Geology, Engineering & Land Division  
Emile Fontenot, Director - Petroleum Lands Division

Mr. David Boulet 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. Boulet read the letter as follows:

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

January 11, 2017

Ladies and Gentlemen:

Certified proofs of publication have been received in the Office of Mineral Resources on behalf of the State Mineral and Energy Board for the State of Louisiana from the "Advocate," official journal for the State of Louisiana, and from the respective parish journals as evidence that Tract Nos. 44648 through 44656, 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)  
Emile Fontenot, Director  
Petroleum Lands Division

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

For the record, Mr. Boulet stated that there were no tracts to be withdrawn from today's Lease Sale.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 44648  
(Portion 138.350)

Bidder	:	Helis Oil & Gas Company, L.L.C.
Primary Term	:	Five (5) years
Cash Payment	:	\$24,211.25
Annual Rental	:	\$12,105.63
Royalties	:	23.000% on oil and gas
	:	23.000% on other minerals
Additional Consideration	:	None

Tract 44648  
(Portion 101.800)

Bidder	:	Helis Oil & Gas Company, L.L.C.
Primary Term	:	Five (5) years
Cash Payment	:	\$23,923.00
Annual Rental	:	\$11,961.50
Royalties	:	23.000% on oil and gas
	:	23.000% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 8:37 a.m.

## **Regular Meeting JANUARY 11, 2017**

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, January 11, 2017**, beginning at 9:30 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

Mr. Paul Segura, Chairman, called the meeting to order. He then requested Mr. David W. Boulet, Assistant Secretary of the Office of Mineral Resources, to call the roll for the purpose of establishing a quorum.

**W. Paul Segura, Jr., Chairman**  
**Carol R. LeBlanc, Vice-Chairman**  
**Thomas F. Harris, DNR Secretary**  
**J. Todd Hollenshead**  
**Thomas L. Arnold, Jr.**  
**Emile B. Cordaro**  
**Rochelle A. Michaud-Dugas**  
**Theodore M. "Ted" Haik, Jr.**  
**Robert D. Watkins**

The following members of the Board were recorded as absent:

**Gregory C. Carter**  
**Johnny B. Bradberry**

Mr. Boulet announced that nine (9) members of the Board were present and that a quorum was established.

Also recorded as present were:

**David W. Boulet** - Assistant Secretary of the Office of Mineral Resources  
**Stacey Talley** - Deputy Assistant Secretary of the Office of Mineral Resources  
**Ryan Seidemann** - Assistant Attorney General  
**Christopher Lento** - Assistant Attorney General  
**Rachel Newman** - Director, Mineral Income Division  
**Boyd Handley** – Administrator, Geology, Engineering & Land Division  
**Emile Fontenot** - Director, Petroleum Lands Division  
**Macy Dennis** - Land Manager, Petroleum Lands Division  
**James Devitt** - Deputy General Counsel, Department of Natural Resources

The Chairman stated that the first order of business was the approval of the December 14, 2016 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 Mr.

Hollenshead and unanimously adopted by the Board. (No public comment was made at this time.)

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

- a) Lease Review Report \*
- b) Nomination and Tract Report \*
- c) Audit Report \*
- d) Legal and Title Controversy Report \*
- e) Docket Review Report \*

*\* Staff Reports and Resolutions will immediately follow this page.*

## **(a) LEASE REVIEW REPORT**

### **I. Geological and Engineering Staff Review**

According to the SONRIS database, there were 1,361 active State Leases containing approximately 575,000 acres. Since the last Lease Review Board meeting, the Geological and Engineering Division reviewed 102 leases covering approximately 30,000 acres for lease maintenance and development issues.

### **II. Board Review**

1. A staff report on State Lease 724, Four Isle Dome Field, Terrebonne Parish. Hilcorp Energy I, L.P. is the operator. On motion of Mr. Arnold, seconded by Ms. LeBlanc, the Board voted to accept Hilcorp's status report.
2. A staff report on State Lease 797, Grand Isle Block 18 Field, Plaquemines Parish. Energy XXI GOM, LLC is the lessee. Upon motion of Mr. Arnold, seconded by Ms. LeBlanc, the Board voted to require that Energy XXI drill a well affecting the northern portion (non-productive) of State Lease 797 by the fourth quarter of 2017 and if said well is not drilled, Energy XXI must release approximately 20% of the northern portion of State Lease 797 by the end of 2017.
3. A staff report on State Lease 799, Grand Isle Block 16 Field, Jefferson Parish. Energy XXI GOM, LLC is the lessee. Upon motion of Mr. Arnold, seconded by Ms. LeBlanc, the Board voted to accept Energy XXI's report and to grant Energy XXI until December 11, 2017 to provide a status update on their activities on State Lease 799.
4. A staff report on State Lease 1170, Hog Bayou Field, Cameron Parish. Hilcorp Energy 1, L.P. is the lessee. Upon motion of Mr. Arnold, seconded by Ms. LeBlanc, the Board voted to accept Hilcorp's report and grant Hilcorp until December 11, 2017 to provide a status update on their activities affecting State Lease 1170.
5. A staff report on State Lease 2038, Deep Lake Field, Cameron Parish. Hilcorp Energy I, L.P. is the lessee. Upon motion of Mr. Arnold, seconded by Ms. LeBlanc, the Board voted to accept Hilcorp's report and grant Hilcorp until December 11, 2017 to provide a status update on their activities affecting State Lease 2038.
6. A staff report on State Lease 3306 and 4011, Redfish Point Field, Vermilion Parish. Hilcorp Energy I, L.P. is the lessee. Upon motion of Mr. Arnold, seconded by Ms. LeBlanc, the Board voted to accept Hilcorp's report and grant Hilcorp until December 11, 2017 to provide a status update on their activities affecting State Lease 3306 and State Lease 4011.

### **III. Force Majeure**

#### Force Majeure Report Summary - Updated January 3, 2017

Company Name	Lease Numbers
Leases Off Production Due to Non-Storm Related Force Majeure Events	
Sanchez Oil & Gas Corporation	1462 (2/8/2017)



# Louisiana Department of Natural Resources (DNR)

## SONRIS

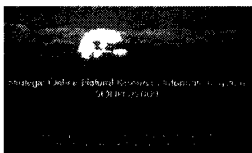
## Staff Reviews

Report run on: January 19, 2017 2:46 PM

District Code 1 New Orleans- East

Get Review Date January 11, 2017

Account Number	Location	Account Description	Actual Balance	Budget	Review Date
01794	COX BAY	BN-1/BN-8 RA SUA; 07/31/2007 198-B	505.86	674	JAN. AR 12/13/16 DP AR - HBP - 2 UNITS
01958	MAIN PASS BLOCK 35	983.262 10/10/2000	310	1506.828	JAN AR 12/30/16 DP AR - HBP - 3 UNITS
03508	MAIN PASS BLOCK 69	414.265 01/17/2013	600	2517.01	JAN AR DP 12/13/16 DP AR - HBP - 2 UNITS; 1 SL WELL
03770	BRETON SOUND BLOCK 53		0	624	JAN AR 12/13/16 DP AR - EXPIRED; ROUTE SHEET DONE 12/13/16
16386	LAKE FORTUNA		264.81	264.81	JAN AR 12/13/16 DP SAR - HELD BY SHUT-IN PAYMENT MADE 9/7/16
17073	LAKE BORGNE		631.34	631.34	JAN AR 12/13/16 DP AR - HBP - 1 SL WELL
17074	LAKE BORGNE		945.36	945.36	JAN. AR 12/13/16 DP AR - HBP - 1 SL WELL
17674	BRETON SOUND BLOCK 53	VUD; 12/10/2014	50.57	50.57	JAN AR 12/13/16 DP AR - HBP - 2 VUS
17675	BRETON SOUND BLOCK 53	VUD; 12/10/2014	207.26	207.26	JAN AR 12/13/16 DP AR - HBP - 2 VUS
19502	CHIPOLA	2.145 12/10/2010	5.855	5.855	JAN AR 12/13/16 DP AR - HBP - 1 UNIT
20769	BAKER CREEK	TMS RA SUA;MURPHY 63 H 01/10/2012 1538	3.761	28.44	JAN. PT 10/12/14 SCHOOL INDEMNITY 12/13/16 DP AR - HBP - 1 UNIT; 12/10/15 ROUTE SHEET; PR REQ 4-1-16
21284	COQUILLE BAY	11000 RB SUA; 06/16/2015 890-X-4 15-364	25.77	98.38	JAN. PT 10/9/2016 12/13/16 DP AR - HBP - 1 UNIT; DD PAID 9/9/16
21494			0	276	JAN. PT 10/8/2017 12/13/16 DP AR - HELD BY RENTAL PAID 10/6/16



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: January 19, 2017 2:46 PM

District Code 1W New Orleans- West
Get Review Date January 11, 2017

Table with columns: ID, Location, Date, Value 1, Value 2, Value 3, Description. Contains 20 rows of data for various locations like GRAND ISLE BLOCK 18, WEST BAY, WEST DELTA BLOCK 83, etc.





Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: January 19, 2017 2:46 PM

District Code 1W New Orleans- West

Get Review Date January 11, 2017

Case No.	Case Name	Case Description	Original Acres	MS State Acres	Original MS Acres
21617			0	10.655	JAN. PT 10/14/18 12/27/16 MS AR, LEASE HBR
21618			0	33	JAN. PT 10/14/18 12/27/16 MS AR, LEASE HBR
21619	LEEVILLE	9800 RA SUA; 07/29/2014 617-RR 14-386	.738	30	JAN. PT 10/14/18 12/27/16 MS AR, LEASE HBP FROM 9800 RA SUA; AND RENTAL PAYMENT
21620			0	196	JAN. PT 10/14/18 12/27/16 MS AR, LEASE HBR



Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: January 19, 2017 2:46 PM

District Code 2 Lafayette

Get Review Date January 11, 2017

Well ID	Well Name	Well Type	Production	Reserves	Notes
00368	BAYOU SALE	BS ROB 6 RJ SU	200	400	JAN. AR 12/12/16 AW HBP IN 3 UNITS (OPERC 2 RE SUA, ROB 6 RL SU, & ST MY RD SU); 3 PRODUCING WELLS
00724	FOUR ISLE DOME , MARTIN	VU18;LL&E U18	663	2714	JAN. LRC 12/12/16 AW HBP IN 3 UNITS (CIB C RA SUA, 66 A RC SUA (NO LONGER ACTIVE) & 50 RB SU); 2 PRODUCING WELLS
03435	LAKE LA ROSE	155.4 12/16/1992	.76	.76	JAN. AR 12/12/16 AW DUE DATE FOR 2ND PERIOD (LIEU ROYALTY STATUS) IS 12/30/16
14310	SHIP SHOAL BLOCK 45	246552-VUA;SL 14157-002 09/13/2013	274.073	274.073	JAN. AR 12/12/16 AW HBP IN 1 UNIT (VUA, 2 LUWS); 4 PRODUCING WELLS (2 IN LEASE?);;
14311	SHIP SHOAL BLOCK 45	145.449 09/23/1999	387.771	387.771	JAN. AR 12/12/16 AW HBP IN 1 UNIT (VUA, 2 LUWS); 4 PRODUCING WELLS (1 IN LEASE)
21044	EUGENE ISLAND BLOCK 18	VUB;SL 20534 03/13/2013	134.561	134.561	JAN. PT 10/10/17 12/12/16 AW HBP IN 1 UNIT (VUB;SL 20534); 1 PRODUCING WELL
21045	EUGENE ISLAND BLOCK 18	VUB;SL 20534 03/13/2013	43.644	43.644	JAN. PT 10/10/17 12/12/16 AW HBP IN 1 UNIT (VUB;SL 20534); 1 PRODUCING WELL
21050	POINT CHEVREUIL	287.442 03/17/2015	9.198	9.2	JAN. AR ATCHAFALAYA DELTA WMA 12/12/16 AW HBP IN 1 UNIT (11000 RA SUB); 1 PRODUCING WELL
21053	EUGENE ISLAND BLOCK 18	VUB;SL 20534 03/13/2013	374.619	375.77	JAN. AR ATCHAFALAYA DELTA WMA 12/12/16 AW HBP IN 1 UNIT (VUB;SL 20534); 1 PRODUCING WELL
21054	EUGENE ISLAND BLOCK 18	VUB;SL 20534 03/13/2013	105.795	105.81	JAN. AR ATCHAFALAYA DELTA WMA 12/12/16 AW HBP IN 1 UNIT (VUB;SL 20534); 1 PRODUCING WELL
21055	EUGENE ISLAND BLOCK 18	VUB;SL 20534 03/13/2013	.938	.938	JAN. AR ATCHAFALAYA DELTA WMA 12/12/16 AW HBP IN 1 UNIT (VUB;SL 20534); 1 PRODUCING WELL



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: January 19, 2017 2:46 PM

District Code 3 Lake Charles- North

Get Review Date January 11, 2017

Well ID	Well Name	Operator	Start Date	End Date	Notes
00112	CADDO PINE ISLAND		40	40	JAN. AR 12/7/16 SR AR - HBP - 1 ACTIVE UNIT. 11 PRODUCING WELLS
00249	SLIGO	HOSS 2 SUL;SKANNAL	49	49	JAN. AR 12/7/16 SR RELEASE REQUESTED
00543	LUCKY	VUW;NEBO OIL CO	130	130	JAN. AR 12/7/16 SR AR - HBP - 2 ACTIVE UNITS. 2 PRODUCING WELLS
00598	HAYNESVILLE	HA P SU	138	.138	JAN. AR 12/7/16 SR AR - HBP - ONE ACTIVE UNIT. 1 PRODUCING WELL
04481	PARKER LAKE	MINTER SU 49 A T HUNT	43.28	43.28	JAN. AR 12/7/16 SR AR - HBP - 2 ACTIVE UNITS. 2 PRODUCING WELLS
04652	BRYCELAND, WEST	HOSS B SUE;CRAWFORD F	3.5	3.5	JAN. AR 12/7/16 SR AR - HBP - 2 ACTIVE UNITS. 6 PRODUCING WELLS
04653	BRYCELAND, WEST	HOSS B SU H; SIMMONS	1.4	1.4	JAN. AR 12/7/16 SR AR - HBP 1 ACTIVE UNIT. 2 PRODUCING WELLS
04654	BRYCELAND, WEST	HOSS B SU H; SIMMONS	.4	.4	JAN. AR 12/7/16 SR AR - HBP 1 ACTIVE UNIT. 2 PRODUCING WELLS
06815	GREENWOOD-WASKOM	G W H.L. SU	5.158	5.158	JAN. AR 12/7/16 SR AR - 100% HBP - 1 ACTIVE UNIT. 1 PRODUCING WELL
07029	CHEMARD LAKE	HA RA SUA;PRIEST 12 H	29.202	29.202	JAN. AR 12/7/16 SR AR - 100% HBP 2 ACTIVE UNITS. 2 PRODUCING WELLS
11155	CEDAR GROVE , ELM GROVE	VUB;L A COWLEY	117.28	117.3	JAN. AR 12/7/16 SR AR - HBP - 2 ACTIVE UNITS. 3 PRODUCING WELLS. WAITING ON PR. HA RA SUZ
11855	ELM GROVE	VUB;L A COWLEY	55	55	JAN. AR 12/7/16 SR AR - 100% HBP - 1 ACTIVE UNITS.1 PRODUCING WELLS
15461	MASTERS CREEK, WEST	AUS C RA SUF;TEMPLE A 24	63	63	JAN. AR 12/7/16 SR AR - 100% HBP - 1 ACTIVE UNIT. 1 PRODUCING WELL
16305	ELM GROVE	HA RA SU98;MOON LAKE 10	26	26	JAN. AR 12/7/16 SR AR - 100% HBP - 4 ACTIVE UNITS. 15 PRODUCING WELLS
17947	CASPIANA	HA RB SUO;ZIMMERMAN 36-15-12 H	15.08	15.08	JAN. AR 12/7/16 SR AR - 100% HBP - 8 ACTIVE UNITS. 33 PRODUCING WELLS
18243	ELM GROVE	112.84	126.26	158.16	JAN. AR 12/7/16 SR AR -100%



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: January 19, 2017 2:46 PM

District Code 3 Lake Charles- North  
 Get Review Date January 11, 2017

Parcel ID	Location	Section	Acres	Original	Current	Notes
			12/02/2010			HBP - 1 ACTIVE UNIT. 1 PRODUCING WELL
19121	ELM GROVE	CV RA SU88;HARTER 15 361-B-5	8.5	8.5		JAN. AR 12/7/16 SR AR - 100% HBP - 4 ACTIVE UNITS. 4 PRODUCING WELLS
19122	CASPIANA	CV RA SUW;BROYLES 2 04/24/2007 191-A-1	71	71		JAN. AR 12/7/16 SR AR -100% HBP - 1 ACTIVE UNIT. 1 PRODUCING WELL. 71.0 LEASED ACRES
19125	RED RIVER-BULL BAYOU	HA RD SUI;J T BOLAN ETAL 34H 06/25/2009 109-X 08-858	53	53		JAN. AR 12/7/16 SR AR - 100% HBP - 8 ACTIVE UNITS. 32 PRODUCITN WELLS. 53 LEASED ACRES
19501	DIXIE	68 01/25/2010	25.558	25.558		JAN. AR 12/7/16 SR AR -100% HBP - 1 ACTIVE UNIT. 1 PRODUCING WELL
19838	RED RIVER-BULL BAYOU	36 03/19/2012	23.417	34		JAN. AR 12/7/16 SR AR 100% HBP - 4 ACTIVE UNITS. 4 PRODUCING WELLS. 34 RETAINED ACRES
19958	CARLTON, NORTH	CV PRUDY RB SUA;B L MAZA 03/06/2007 746-C-2 07-164	40	40		JAN. AR TAX ADJUDICATED LANDS 12/7/16 SR AR - 100% HBP - 1 ACTIVE UNIT. 1 PRODUCING WELL
20140	RED RIVER-BULL BAYOU	HA RB SU64;MATTHEWS 12 H 09/10/2009 109-X-61 09-966	26.67	26.67		DEC. AR TAX ADJUDICATED LAND 12/30/16 SR AR - 100% HBP. ONE UNIT. ONE PRODUCING WELL
20147	ELM GROVE	HA RA SU90;MAMIE ELSTON 13 H 09/10/2009 361-L-58 09-970	33	33		JAN. AR 12/7/16 SR AR -100% HBP - 1 ACTIVE UNIT 1 PRODUCING WELL. 33 LEASED ACRES
20150	THORN LAKE	HA RA SUF;WAERSTAD 07/15/2008 1145-B	3	3		JAN. AR 12/7/16 SR AR -100% HBP - 1 ACTIVE UNIT. 4 PRODUCING WELL
20152	CASPIANA	HA RA SU139;GUY FARMS 9 H 12/01/2009 191-H-71 09-1242	1	1		JAN. AR 12/7/16 SR AR - 100% HBP - 2 ACTIVE UNITS. 10 PRODUCING WELLS
20153	BRACKY BRANCH	HA RA SUA;BROWN SW MIN 9H 09/16/2008 917-L	8	8		JAN. AR 12/7/16 SR AR - 100% HBP - 2 ACTIVE UNITS. 2 PRODUCING WELLS. 8 LEASED ACRES
20154	RED RIVER-BULL BAYOU	HA RB SU67;WELLMAN 29-13-11 H 10/13/2009 109-X-66 09-1107	4	4		JAN. AR 12/7/16 SR AR -100% HBP - 1 ACTIVE UNIT. 3 PRODUCING WELL
20155	RED RIVER-BULL BAYOU	HA RB SU73;FORTSON ETAL 4 01/05/2010 109-X-74 10-13	1	1		JAN. AR 12/7/16 SR AR -100% HBP - 1 ACTIVE UNIT. 2 PRODUCING WELL
20159	CHEMARD LAKE , RED	HA RA SUA;PRIEST 12	6	6		JAN. AR 12/7/16 SR AR - 100%



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: January 19, 2017 2:46 PM

District Code 3 Lake Charles- North

Get Review Date January 11, 2017

Report No	Location	Acres	Original	Revised	Comments
	RIVER-BULL BAYOU	H 04/28/2009 700-G 09-452			HBP - 2 ACTIVE UNITS. 2 PRODUCING WELLS. 6 LEASED ACRES
20173	RED RIVER-BULL BAYOU	HA RB SUVV;WELLMAN 20-13-11 H 07/21/2009 109-X-54 09-767	40	40	JAN. AR TAX ADJUDICATED 12/7/16 SR AR -100% HBP - 1 ACTIVE UNIT. 1 PRODUCING WELL
20256	BAYOU SAN MIGUEL	HA RA SUA;ROBERT BOZEMAN 29 H 10/28/2009 1513-B 08-1673	160.344	160.344	JAN. AR TAX ADJUDICATED LANDS 12/7/16 SR AR - 100% HBP ONE ACTIVE UNIT. 1 PRODUCING WELL. 160 LEASED ACRES
20446	ELM GROVE	HA RA SUNN;BENBOW 4-15-11 H 01/27/2009 361-L-22 09-93	1	1	JAN. AR 12/7/16 SR AR -100% HBP - 2 ACTIVE UNIT. 3 PRODUCING WELL
20467	GREENWOOD-WASKOM	HA RA SU81;CHC 34-17-15 H 05/18/2010 270-MM-48 10-550	5	5	JAN. AR TAX ADJUDICATED 12/7/16 SR AR -100% HBP - 1 ACTIVE UNIT. 1 PRODUCING WELL
20468	GREENWOOD-WASKOM	HA RA SU81;CHC 34-17-15 H 05/18/2010 270-MM-48 10-550	20	20	JAN. AR TAX ADJUDICATED 12/7/16 SR AR -100% HBP - 1 ACTIVE UNIT. 1 PRODUCING WELL
20469	CEDAR GROVE	HA RA SUL;SHREVE 2-16-14 H 01/11/2010 967-C-6 09-1202	4.901	5	JAN. AR TAX ADJUDICATED 12/7/16 SR AR -100% HBP - 1 ACTIVE UNIT. 1 PRODUCING WELL
20471	GREENWOOD-WASKOM	HA RA SU78;LCD&S 23-17-15 H 06/03/2010 270-MM-51 10-586	53.72	53.72	JAN AR VACANT STATE LAND 12/7/16 SR AR -100% HBP - 1 ACTIVE UNIT. 1 PRODUCING WELL
20669	SENTELL	99.18 09/15/2016	29.82	29.82	JAN. AR 12/7/16 SR AR - HBP - 5 ACTIVE UNIT.5 PRODUCING WELL
20757	BRACKY BRANCH	6.118 12/18/2012	8.882	8.882	JAN. AR 12/7/16 SR AR 100% HBP 1 ACTIVE UNIT. 1 ACTIVE WELL
21499	LARTO LAKE, EAST	ELTL FARRIER RA SU 01/01/1983 1191-A	57	57	JAN. PT 10/8/2017 12/7/16 SR AR - HBP RESERVOIR WIDE UNIT 14 PRODUCING WELLS



Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: January 19, 2017 2:46 PM

District Code 3S Lake Charles- South  
 Get Review Date January 11, 2017

Well ID	Well Name	Well Status / Date	Volume	Cost	Notes
00517	REDELL	6620 RA SUA;JM HAAS ETAL 08/09/2011 98-S 11-208	35.02	50	JAN AR 12/13/16 DP AR - HBP - 5 UNITS
01170	HOG BAYOU-OFFSHORE	284.01 01/21/2015	1100	3457.29	NOV. LRC AR 12/13/16 DP AR - HBP - 3 UNITS, 3 SL WELLS
02038	DEEP LAKE	249540-ROCKEFELLER SL 2038-002 04/03/2016	26	1914	JAN LRC 12/13/16 DP AR - HBP - 1 UNIT
03306	REDFISH POINT	I-K RA SUA;SL 3306 05/08/2012 834-J 12-261	800	1527.39	JAN LRC AR 12/13/16 DP AR - HBP - 1 UNIT, 2 SL WELLS
04011	REDFISH POINT	187.35 10/01/2014	377.04	1078.3	JAN. LRC AR 12/13/16 DP AR - HBP - 1 UNIT
04218	LAWSON	12900 RA SUA;RH SCHUH ETAL 02/22/2000 660-N 00-83	13.2	42	JAN AR 12/13/16 DP AR - HBP - 2 UNITS
12239	COWARDS GULLY	27.44 10/05/1990	35.56	35.56	JAN AR 12/13/16 DP AR - HBP - 1 UNIT
12725	WEST CAMERON BLOCK 1	9850 RA SUA;SL 12848 12/19/2006 1358-G 06-1428	104.29	104.29	JAN AR 12/13/16 DP AR - HBP - 2 UNITS
15691	GILLIS-ENGLISH BAYOU	3.98 09/10/2015	17.98	17.98	JAN AR 12/13/16 DP AR - HBP - 1 UNIT
18423	CREOLE OFFSHORE	247159-VUB;SL 18521-012 10/24/2013	401.36	401.36	JAN. AR 12/13/16 DP AR - HBP - 1 VU
18429	BEACONS GULLY	33.432 07/12/2007	2.568	2.568	JAN AR 12/13/16 DP AR - HBP - 1 UNIT
18521	CREOLE OFFSHORE	246981-VUB;SL 18521-011 10/07/2013	433.41	433.41	JAN AR 12/13/16 DP AR - HBP - 1 VU
19031	CREOLE OFFSHORE	VUB;SL 18521 12/14/2011	38	38	JAN AR 12/13/16 DP AR - HBP - 1 VU
20497	GRAND LAKE	355.392 01/20/2016	24.608	24.608	JAN AR 12/13/16 DP AR - HBP - 1 UNIT
21279			0	483	JAN. PT 10/9/2016 12/13/16 DP QR- HELD BY ONGOING WORK ON THE WELL
21493	ELBA	L WX RA SUC;MARTIN A 04/09/1980 1085 80-92	.67	.67	JAN AR 12/13/16 DP AR - HBP - 1 UNIT

102

12,987,318

30,067,365

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #17-01-001  
(Lease Review)**

On motion of Mr. Arnold, seconded by Ms. LeBlanc, the following resolution was offered and unanimously adopted by the State Mineral and Energy Board:

WHEREAS, the State Mineral Board last reviewed State Lease 724, Four Isle Dome Field, Terrebonne Parish, on January 13, 2016, whereby the State Energy and Mineral Board (SMEB) accepted Hilcorp Energy Company's (Hilcorp) report and be granted until December 14, 2016 to provide a status update on their activities on the lease; and

WHEREAS, Hilcorp by letter dated December 14, 2016 reported on their lease activities affecting State Lease 724, Four Isle Dome Field, Terrebonne Parish.

NOW THEREFORE BE IT RESOLVED that the State Mineral and Energy Board accepts Hilcorp's status update affecting State Lease 724, Terrebonne Parish, and the staff expects to give a more detailed recommendation to the State Mineral and Energy Board at a later date after further evaluation of the lease.

## 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 11th day of January, 2017, 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.



---

David W. Boulet, Secretary  
Louisiana State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #17-01-002  
(Lease Review)**

On motion of Mr. Arnold, seconded by Ms. LeBlanc, the following resolution was offered and unanimously adopted by the State Mineral and Energy Board:


WHEREAS, the State Mineral Board last reviewed State Lease 797, Grand Isle Block 18 Field, Plaquemines Parish, on January 13, 2016, whereby the State Energy and Mineral Board (SMEB) accepted Energy XXI GOM LLC's (Energy XXI) report and granted same until December 10, 2016 to provide a status update on their activities on the lease; and

WHEREAS, Energy XXI, by letter dated December 5, 2016, reported on their lease activities affecting State Lease 797, Grand Isle Block 18 Field, Plaquemines Parish.

NOW THEREFORE BE IT RESOLVED that the State Mineral and Energy Board accepts the status update affecting State Lease 797, Plaquemines Parish, and requires Energy XXI to drill a well affecting the Northern Portion (non-productive) of State Lease 797 by the fourth quarter of 2017 and if a well is not drilled, then Energy XXI must release approximately 20% of the northern portion of State Lease 797 by the end of 2017.

## 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 11th day of January, 2017, 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.



David W. Boulet, Secretary  
Louisiana State Mineral and Energy Board



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #17-01-003  
(Lease Review)**

On motion of Mr. Arnold, seconded by Ms. LeBlanc, the following resolution was offered and unanimously adopted by the State Mineral and Energy Board:


WHEREAS, the State Mineral Board last reviewed State Lease 799, Grand Isle Block 16 Field, Jefferson Parish, on January 13, 2016, whereby the State Energy and Mineral Board (SMEB) accepted Energy XXI GOM LLC's (Energy XXI) report and granted same until December 10, 2016 to provide a status update on their activities on the lease; and

WHEREAS, Energy XXI, by letter dated December 5, 2016, reported on their lease activities affecting State Lease 799, Grand Isle Block 16 Field, Jefferson Parish.

NOW THEREFORE BE IT RESOLVED that the State Mineral and Energy Board accepts the status update affecting State Lease 799, Jefferson Parish, and grants Energy XXI until December 11, 2017 to provide a status update on their lease activities.

## 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 11th day of January, 2017, 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.



---

David W. Boulet, Secretary  
Louisiana State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #17-01-004  
(Lease Review)**

On motion of Mr. Arnold, seconded by Ms. LeBlanc, the following resolution was offered and unanimously adopted by the State Mineral and Energy Board:

WHEREAS, the State Mineral Board last reviewed State Lease 1170, Hog Bayou Field, Cameron Parish, on December 9, 2015, whereby the State Energy and Mineral Board (SMEB) accepted Hilcorp Energy Company's (Hilcorp) report and granted same until December 10, 2016 to provide a status update on their activities on the lease; and

WHEREAS, Hilcorp, by letter dated December 13, 2016, reported on their lease activities affecting State Lease 1170, Hog Bayou Field, Cameron Parish.

NOW THEREFORE BE IT RESOLVED that the State Mineral and Energy Board accepts the status update affecting State Lease 1170, Cameron Parish, and grants Hilcorp until December 11, 2017 to provide a status update on their lease activities.

## 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 11th day of January, 2017, 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.



---

David W. Boulet, Secretary  
Louisiana State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #17-01-005  
(Lease Review)**

On motion of Mr. Arnold, seconded by Ms. LeBlanc, the following resolution was offered and unanimously adopted by the State Mineral and Energy Board:

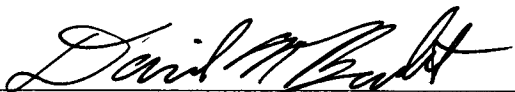
WHEREAS, the State Mineral Board last reviewed State Lease 2038, Deep Lake Field, Cameron Parish, on December 9, 2015, whereby the State Energy and Mineral Board (SMEB) accepted Hilcorp Energy Company's (Hilcorp) report and granted same until December 10, 2016 to provide a status update on their activities on the lease; and

WHEREAS, Hilcorp, by letter dated December 13, 2016, reported on their lease activities affecting State Lease 2038, Deep Lake Field, Cameron Parish.

NOW THEREFORE BE IT RESOLVED that the State Mineral and Energy Board accepts the status update affecting State Lease 2038, Cameron Parish, and grants Hilcorp until December 11, 2017 to provide a status update on their lease activities.

## 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 11th day of January, 2017, 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.

  
\_\_\_\_\_  
David W. Boulet, Secretary  
Louisiana State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #17-01-006  
(Lease Review)**

On motion of Mr. Arnold, seconded by Ms. LeBlanc, the following resolution was offered and unanimously adopted by the State Mineral and Energy Board:

WHEREAS, the State Mineral Board last reviewed State Leases 3306 and 4011, Redfish Point Field, Vermilion Parish, on December 9, 2015, whereby the State Energy and Mineral Board (SMEB) accepted Hilcorp Energy Company's (Hilcorp) report and granted same until December 10, 2016 to provide a status update on their activities on the lease; and

WHEREAS, Hilcorp, by letter dated December 13, 2016, reported on their lease activities affecting State Leases 3306 and 4011, Redfish Point Field, Vermilion Parish.

NOW THEREFORE BE IT RESOLVED that the State Mineral and Energy Board accepts the status update affecting State Leases 3306 and 4011, Vermilion Parish, and grants Hilcorp until December 11, 2017 to provide a status update on their lease activities.

## 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 11th day of January, 2017, 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.



David W. Boulet, Secretary  
Louisiana State Mineral and Energy Board

## **(b) NOMINATION AND TRACT REPORT**

The Board heard the report of Mr. Emile Fontenot **presented at 9:42 a.m.** on Wednesday January 11, 2017 relative to nominations received in the Office of Mineral Resources for the March 8, 2017 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of *Mr. Arnold*, duly seconded by *Mr. Harris*, the Board granted 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.

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Tracts to Be  
Advertised for the  
March 8, 2017  
Lease Sale

**Resolution #17-01-007**  
**(NOMINATION AND TRACT REPORT)**

**WHEREAS**, Mr. Emile Fontenot reported that 38 tracts had been nominated for the March 8, 2017 Mineral Lease Sale, and requests that same are to be advertised pending staff review;

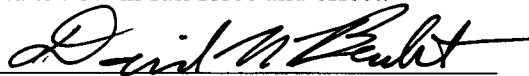
**ON MOTION** of *Mr. Arnold*, seconded by *Mr. Harris*, the following recommendation was offered and unanimously adopted by the Board after discussion and careful consideration:

That the State Mineral and Energy Board grant final approval to advertise all such tracts for the March 8, 2017 Mineral Lease Sale;

**NOW, BE IT THEREFORE RESOLVED**, that the State Mineral and Energy Board does hereby approve and authorize the advertising of all such tracts 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.

**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 11th day of January 2017, 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.



David W. Boulet, Secretary

LOUISIANA STATE MINERAL AND ENERGY BOARD

**(c) AUDIT REPORT**

The first matter on the audit report was the election of the January 2017 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.

**(d) LEGAL AND TITLE CONTROVERSY REPORT**

The Board considered a request by Mr. Haik to clarify the language in Resolution #16-10-014 adopted by the Board at the October 12, 2016 Board Meeting in regards to signature authority of the State Mineral and Energy Board. The Resolution was recommended to be revised as follows:

NOW, THEREFORE, BE IT RESOLVED, effective June 6, 2016, the Board does hereby grant to its Chairman, Vice Chairman and Secretary the concurrent authority to sign any administrative or operational documents necessary to effectuate the will and purpose of the Board with regards to the execution of mineral leases, operating agreements or assignments. Documents containing policy statements, interpreting Board resolutions, or interpreting articles within any mineral lease may also be signed by the above individuals, provided that any such documents have been approved by the Board prior to execution. Documents signed under the authority of this Resolution require the signature of only one such authorized delegatee, unless the nature of the document requires additional signatures.

After lengthy discussion between Board Members and Staff, Mr. Haik requested the withdrawal of the clarification of language submitted for Resolution #16-10-014.



### (e) DOCKET REPORT

The Board heard the report of Macy Dennis on Wednesday, January 11, 2017, relative to the following:

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

Category B: State Lease Transfers.  
Docket Item Nos. 1 through 12

Category C: Department of Wildlife & Fisheries State Agency Lease Transfers  
There were no items for this category

Category D: Advertised Proposals  
Docket Item No. 1

for the January 11, 2017 Mineral Lease Sale. Based upon the staff's recommendation, on motion of *Mr. Arnold*, duly seconded by *Mr. Hollenshead*, the Board voted unanimously to accept the following recommendations:

Category B: State Lease Transfers  
Approve Docket Item Nos. 1 through 12

Category D: Advertise Proposals  
Defer Docket Item No. 17-01, upon recommendation of the Legal and Title Controversy Review.

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

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-01-008

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the January 11, 2017 Meeting be approved, said instrument being an Assignment from TZO, LLC to S&G Oil Properties, L L C , of all of Assignor's right, title and interest in and to State Lease No 19354, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

Toce Energy, 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 or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11<sup>th</sup> day of January, 2017, 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.



David W Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #17-01-009

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the January 11, 2017 Meeting be approved, said instrument being an Assignment from Talos Gulf Coast Onshore LLC (12.50% of 8/8ths), Howard Energy Co., Inc., (5.00% of 8/8ths), Knight Resources, LLC, (3.75% of 8/8ths) and LLOLA, L.L.C., (2.50% of 8/8ths) to Houston Energy, L.P., in and to State Lease No. 21092, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument

Talos Gulf Coast Onshore 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;

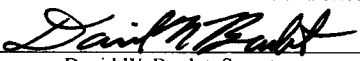
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11<sup>th</sup> day of January, 2017, 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.

  
David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #17-01-010

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the January 11, 2017 Meeting be approved, said instrument being an Assignment from EOG Resources, Inc to Covey Park Gas LLC, of all of Assignor's right, title and interest in and to State Lease No. 18183, Sabine Parish, Louisiana, with further particulars being stipulated in the instrument

Covey Park Gas 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;

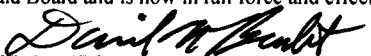
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11<sup>th</sup> day of January, 2017, 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



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #17-01-011

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the January 11, 2017 Meeting be approved, said instrument being an Assignment from Hilcorp Energy I, L.P. to Krewe Energy, LLC, of all of Assignor's right, title and interest in and to State Lease No. 1972, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument

Krewe Energy, 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;

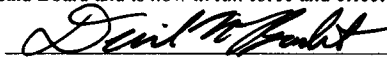
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11<sup>th</sup> day of January, 2017, 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



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #17-01-012

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the January 11, 2017 Meeting be approved, said instrument being an Assignment from Fortis Exploration, LLC to Chandeleur Sound Holdings, LLC, of all of Assignor's right, title and interest in and to State Lease Nos 17277, 17278, 17279, 18043 and 18194, St. Bernard Parish, Louisiana, with further particulars being stipulated in the instrument

Chandeleur Sound Holdings, 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;

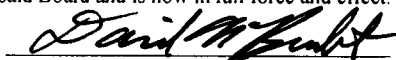
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11<sup>th</sup> day of January, 2017, 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.



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #17-01-013

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the January 11, 2017 Meeting be approved, said instrument being an Assignment from Castex Energy Partners, L.P. to Apache Corporation, of an undivided 30% of 8/8ths interest in and to State Lease Nos. 21676 and 21677, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument

Apache Corporation 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 or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11<sup>th</sup> day of January, 2017, 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



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #17-01-014

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 7 from the January 11, 2017 Meeting be approved, said instrument being an Assignment from Krewe Energy, LLC to Hilcorp Energy I, L P., of all of Assignor's right, title and interest in and to State Lease Nos. 17379, 17380, 18383 and 18384, Plaquemines 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;

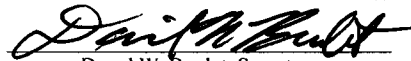
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11<sup>th</sup> day of January, 2017, 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.



David W Boulet, Secretary  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #17-01-015

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 8 from the January 11, 2017 Meeting be approved, said instrument being an Assignment from Donegal Energy, LLC to WADI Petroleum, Inc., of all of Assignor's right, title and interest in and to Operating Agreement "A0321", Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument

WADI 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,

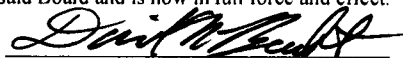
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11<sup>th</sup> day of January, 2017, 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.



David W Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #17-01-016

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 9 from the January 11, 2017 Meeting be approved, said instrument being an Act of Donation and Assignment from George R. White to The White Living Trust, trustee George R. White, of all of Assignor's right, title and interest in and to State Lease No 7964, Acadia Parish, Louisiana, with further particulars being stipulated in the instrument

Chevron Midcontinent, 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 or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11<sup>th</sup> day of January, 2017, 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.



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #17-01-017

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10 from the January 11, 2017 Meeting be approved, said instrument being a Judgment and Amendment of Judgment, whereby it is ordered that all minerals and mineral rights in the name of The White Living Trust w/t/a of August 2, 1994, be re-titled to reflect ownership being as follows:

George R White	50.000%
George R. White, as trustee of the Bettijo Hartsell White Qualified Trust	21.285%
George R White, as trustee of the Bettijo Hartsell White Credit Shelter Trust	28.715%

in and to State Lease No 7964, Acadia Parish, Louisiana, with further particulars being stipulated in the instrument.

Chevron Midcontinent, 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;

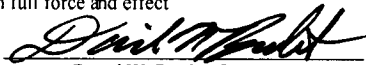
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11<sup>th</sup> day of January, 2017, 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



David W Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #17-01-018 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11 from the January 11, 2017 Meeting be approved, said instrument being an Assignment from WCX Energy, LLC to Godchaux Holdings, LLC, of all of Assignor's right, title and interest in and to State Lease Nos 2412 and 2413, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

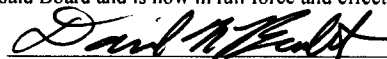
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11<sup>th</sup> day of January, 2017, 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.



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #17-01-019

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12 from the January 11, 2017 Meeting be approved, said instrument being a Change of Name whereby Godchaux Holdings, LLC is changing its name to Bodel Holdings, LLC, affecting State Lease Nos 2412 and 2413, Vermilion 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 or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11<sup>th</sup> day of January, 2017, 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



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

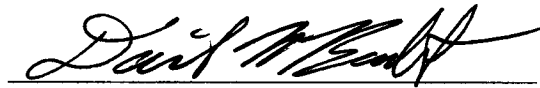
Resolution #17-01-020  
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-01 from the January 11, 2017, Meeting be deferred, said instrument being a Settlement Agreement between The State of Louisiana, through the Louisiana State Mineral and Energy Board and The Louisiana Land and Exploration Company, LLC, ConocoPhillips Company, Houston Energy, L.P., Talos Gulf Coast Onshore LLC, Howard Energy Co., Inc., Knight Resources, LLC, LLOLA, L.L.C., Hilcorp Energy I, L.P., and Hilcorp Energy Company whereas said parties desire to provide for allocations of production, or the proceeds from the Tracts shown by the CIB CARST RA SUA Unit Survey Plat in the manner set forth, covering approximately 208.293 acres, affecting State Lease Nos. 724, 21150, 21152 and 21157, Terrebonne 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 11th day of January, 2017, 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.



David W. Boulet, Secretary  
State Mineral and Energy Board

The Chairman stated that the next order of business was discussions in Executive Session to consider matters before the Board which were confidential in nature. Upon motion of Mr. Arnold, seconded by Ms. Michaud-Dugas, the Board Members went into Executive Session at 10:34 a.m.

Upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Board reconvened in open session at 10:38 a.m. to have a roll call vote to add the following item to be discussed in Executive Session:

A discussion regarding negotiations to settle outstanding audit issues with Tana Exploration Company, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Harris, the Board voted unanimously to add the item regarding negotiations to settle outstanding audit issues with Tana Exploration Company, LLC to Executive Session which is referred to as the second matter in this report discussed in Executive Session. No comments were made by the public.

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, the Board Members went back into Executive Session at 10:41 a.m.

Upon motion of Mr. Arnold, seconded by Ms. LeBlanc, the Board reconvened in open session at 10:55 a.m. for consideration of the following matters discussed in Executive Session:

a) The first matter was a discussion of the matter entitled: L.D. Miguez, et al., v. State of Louisiana, et al., Docket No: C-99694, 15<sup>th</sup> Judicial District Court, Vermillion Parish, Louisiana.

Upon motion of Mr. Arnold, seconded by Mr. Watkins, the Board voted unanimously to grant authority to the Attorney General's office to proceed with settlement discussions as per the terms discussed in Executive Session. No comments were made by the public.

b) The second matter was a discussion regarding negotiations to settle outstanding audit issues with Tana Exploration Company, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Watkins, with Mr. Harris abstaining, the Board voted to grant authority to the Attorney General's office to proceed with settlement negotiations pursuant to the discussion in Executive Session. No comments were made by the public.

\* Executive Session Resolutions will immediately follow this page.

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION # 17-01-021

(EXECUTIVE SESSION)

Executive Session  
Discussion  
L.D. Miguez, et al., v. State of  
Louisiana, et al.  
Docket No: C-99694  
15<sup>th</sup> Judicial District Court,  
Vermillion Parish, Louisiana

**WHEREAS**, a discussion was held in Executive Session regarding the matter entitled: L.D. Miguez, et al., v. State of Louisiana, et al., Docket No: C-99694, 15<sup>th</sup> Judicial District Court, Vermillion Parish, Louisiana;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to proceed with settlement discussions as per the terms discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 11<sup>th</sup> day of January, 2017 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



---

**David W. Boulet, Secretary  
State Mineral and Energy Board**



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION # 17-01-022

(EXECUTIVE SESSION)

Executive Session  
Discussion  
Outstanding audit issues  
with Tana Exploration  
Company, LLC

**WHEREAS**, a discussion was held in Executive Session regarding negotiations to settle outstanding audit issues with Tana Exploration Company, LLC;

**ON MOTION** of Mr. Arnold, seconded by Mr. Watkins, with Mr. Harris abstaining, the following Resolution was offered and adopted by the State Mineral and Energy Board:

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to proceed with settlement negotiations pursuant to the discussion in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 11<sup>th</sup> day of January, 2017 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



---

**David W. Boulet, Secretary  
State Mineral and Energy Board**

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

Mr. Talbot stated that Staff recommends that all bids be accepted.

Upon motion by Mr. Arnold, seconded by Mr. Hollenshead, the Board unanimously voted to accept the following bids:

1. Award a lease on a portion of Tract 44648, said portion being 101.8 acres more particularly described in said bids and outlined on accompanying plat, to Helis Oil & Gas Company, L.L.C.
2. Award a lease on a portion of Tract 44648, said portion being 138.35 acres more particularly described in said bids and outlined on accompanying plat, to Helis Oil & Gas Company, L.L.C.

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

This concluded the awarding of the leases.

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

Mr. Hollenshead inquired about the postponement of action for ninety (90) days on the Proposed New Lease form that was discussed at the December 14, 2016. He wanted to know if Staff had any comments to the Board and public at this time as to the process and if Staff planned to move forward as stated in December. Mr. Boulet stated that Staff is moving forward and has formulated a plan to re-review the proposed language in all of the articles during this ninety (90) day period. He also stated that Staff would provide updates to the Board on its' progress each month and hoped to have a final review to present to the Board at the March meeting along with a schedule of moving forward on adopting a new lease form. Mr. Haik inquired whether the articles that had been previously approved in principle would be changed, and Mr. Boulet stated that Staff will be reviewing the lease form in its entirety as well as other issues that have not been resolved such as deep rights, first lien, and venue. Mr. Haik asked that each article of the Proposed New Lease form be brought before the Board to debate and discuss any proposed changes rather than the Board reviewing it as a whole document.

The following announcements were then made:

Mr. Boulet stated that the total for the January 11, 2017 Lease Sale is \$48,134.25. He also wished everyone Happy New Year and announced that the Board had 100% participation in their Ethics and Sexual Harassment Training.

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Haik, seconded by Mr. Arnold, the meeting was adjourned at 11:09 a.m.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "David W. Boulet". The signature is fluid and cursive, with a large initial "D" and "B".

David W. Boulet, Secretary  
State Mineral and Energy Board