

# **MINUTES**

## **STATE MINERAL AND ENERGY BOARD**

### **REGULAR MEETING AND LEASE SALE**

**JANUARY 9, 2013**

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on Wednesday, January 9, 2013, beginning at 11:00 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

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

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

The following members of the Board were recorded as absent:

Stephen Chustz, DNR Interim Secretary  
John C. "Juba" Diez  
Robert "Michael" Morton  
Thomas W. Sanders

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

Also recorded as present were:

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

The Chairman then stated that the next order of business was the approval of the December 12, 2012 Minutes. A motion was made by Mr. Cordaro to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Arnold and unanimously adopted by the Board. (No public comment was made at this time.)

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

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

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

The Chairman then announced that the Board would recess its regular meeting at 11:03 a.m. and go into executive session for technical briefing in order to consider matters before the Board which were confidential in nature. A motion was made by Mr. Arnold, seconded by Mr. Smith, and unanimously adopted by the Board.

During the technical briefing, the Board conferred with staff personnel concerning the merit of the bids that were submitted and opened earlier today at a public meeting\*, based on geological, engineering and other confidential data and analyses available to the Board and staff, after which, upon motion of Mrs. Smith, seconded by Mr. Arnold, and unanimously adopted by the Board, the Board reconvened in open session at 11:07 a.m.

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

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

Upon motion of Mr. Arnold, seconded by Mrs. Smith, the Board voted unanimously to award a lease on a portion of Tract 43021, said portion being 390.790 acres more particularly described in said bid and outlined on accompanying plat, to West Delta 55, LP.

Upon motion of Mr. Arnold, seconded by Mrs. Smith, the Board voted unanimously to award a lease on a portion of Tract 43024, said portion being 109.040 acres more particularly described in said bid and outlined on accompanying plat, to Cypress Energy Corporation.

Upon motion of Mr. Arnold, seconded by Mrs. Smith, the Board voted unanimously to award a lease on Tract 43026 to Eagle Stone Energy Partners, L.P.

Upon motion of Mr. Arnold, seconded by Mrs. Smith, the Board voted unanimously to award a lease on Tract 43030 to Orx Exploration, Inc.

Upon motion of Mr. Arnold, seconded by Mrs. Smith, the Board voted unanimously to award a lease on a portion of Tract 43032, said portion being 181.000 acres more particularly described in said bid and outlined on accompanying plat, to Gray Production Company.

Upon motion of Mr. Arnold, seconded by Mrs. Smith, the Board voted unanimously to award a lease on another portion of Tract 43032, said portion being 185.000 acres more particularly described in said bid and outlined on accompanying plat, to Cypress Energy Corporation. As to the portion bid by Cypress Energy Corporation on 235.000 acres, the bid overlapped the bid by Gray Production Company on 181.000 acres. Therefore, Cypress Energy Corporation, after the property descriptions were finalized, was granted the option to take the lease on the property which it bid at its bid price, less and except the overlapped area which was in the bid containing 181.000 acres by Gray Production Company.

Upon motion of Mr. Arnold, seconded by Mrs. Smith, the Board voted unanimously to award a lease on a portion of Tract 43036, said portion being 32.910 acres more particularly described in said bid and outlined on accompanying plat, to Hilcorp Energy I, L.P.

Upon motion of Mr. Arnold, seconded by Mrs. Smith, the Board voted unanimously to award a lease on a portion of Tract 43038, said portion being 592.000 acres more particularly described in said bid and outlined on accompanying plat, to Cypress Energy Corporation.

Upon motion of Mr. Arnold, seconded by Mrs. Smith, the Board voted unanimously to award a lease on a portion of Tract 43040, said portion being 111.990 acres more particularly described in said bid and outlined on accompanying plat, to West Delta 55, LP.

Upon motion of Mr. Arnold, seconded by Mrs. Smith, the Board voted unanimously to award a lease on Tract 43041 to Midstates Petroleum Company LLC.

This concluded the awarding of the leases.

The following announcements were then made:

Ms. Talley stated that "the total for today's Lease Sale is \$1,143,272.83 bringing the fiscal year-to-date total to just over \$12 million.

In addition, I would like to introduce to all of you our newest staff member who started this week, Lynette Pierre."

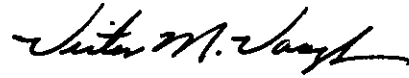
The Chairman then stated that the quarterly Mineral Revenue and Production Report was being provided to the members for their information and review. **(The report is hereby attached and made a part of the Minutes by reference.)**

January 9, 2013

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The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Cordaro, seconded by Mr. Smith, the meeting was adjourned at 11:10 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Victor M. Vaughn". The signature is fluid and cursive, with a long horizontal stroke at the end.

Victor M. Vaughn  
Executive Officer  
State Mineral and Energy Board

**THE FOLLOWING BID OPENING MEETING REPORT,  
COMMITTEE REPORTS, RESOLUTIONS AND  
MINERAL REVENUE AND PRODUCTION REPORT  
WERE MADE A PART OF THE JANUARY 9, 2013 MINUTES  
BY REFERENCE**

A public meeting for the purpose of opening sealed bids was held on Wednesday, January 9, 2013, beginning at 8:30 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

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

Frederick Heck, Director-Petroleum Lands Division

Rachel Newman, Director-Mineral Income Division

Emile Fontenot, Assistant Director-Petroleum Lands Division

April Duhe, Attorney, OMR Executive Division

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

January 9, 2013

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

Gentlemen:

Certified proofs of publication have been received in the Office of Mineral Resources on behalf of the State Mineral and Energy Board for the State of Louisiana from the "Advocate," official journal for the State of Louisiana, and from the respective parish journals as evidence that Tract Nos. 43018 through 43041, have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended.

Yours very truly,

(Original signed)

Frederick D. Heck  
Director  
Petroleum Lands Division

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

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

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

OFFSHORE TRACTS

Tract 43018

No Bids

Tract 43019

No Bids

Tract 43020

No Bids

Tract 43021  
(Portion – 390.790 acres)

Bidder	:	West Delta 55, LP
Primary Term	:	Five (5) years
Cash Payment	:	\$84,019.85
Annual Rental	:	\$42,009.93
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

Tract 43022

No Bids

Tract 43023

No Bids

Tract 43024  
(Portion – 109.040 acres)

Bidder	:	Cypress Energy Corporation
Primary Term	:	Five (5) years
Cash Payment	:	\$234,545.04
Annual Rental	:	\$117,272.52
Royalties	:	23.5% on oil and gas
	:	23.5% on other minerals
Additional Consideration	:	None



Tract 43025

No Bids

INLAND TRACTS

Tract 43026

Bidder	:	Eagle Stone Energy Partners, L.P.
Primary Term	:	One (1) year
Cash Payment	:	\$2,001.44
Annual Rental	:	Not applicable
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 43027

No Bids

Tract 43028

No Bids

Tract 43029

No Bids

Tract 43030

Bidder	:	Orx Exploration, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$20,650.00
Annual Rental	:	\$10,325.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 43031

No Bids

Tract 43032  
(Portion – 181.000 acres)

Bidder	:	Gray Production Company
Primary Term	:	Three (3) years
Cash Payment	:	\$200,367.00
Annual Rental	:	\$100,183.50
Royalties	:	23% on oil and gas
	:	23% on other minerals
Additional Consideration	:	None

Tract 43032  
(Portion – 185.000 acres)

Bidder	:	Cypress Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$69,930.00
Annual Rental	:	\$34,965.00
Royalties	:	23% on oil and gas
	:	23% on other minerals
Additional Consideration	:	None

Tract 43032  
(Portion – 235.000 acres)

Bidder	:	Cypress Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$102,695.00
Annual Rental	:	\$51,347.50
Royalties	:	23% on oil and gas
	:	23% on other minerals
Additional Consideration	:	None

Tract 43033

No Bids

Tract 43034

No Bids

Tract 43035

No Bids

Tract 43036  
(Portion – 32.910 acres)

Bidder	:	Hilcorp Energy I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$10,761.57
Annual Rental	:	\$5,380.79
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 43037

No Bids

Tract 43038  
(Portion – 592.000 acres)

Bidder	:	Cypress Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$489,584.00
Annual Rental	:	\$244,792.00
Royalties	:	23% on oil and gas
	:	23% on other minerals
Additional Consideration	:	None

Tract 43039

No Bids

Tract 43040  
(Portion – 111.990 acres)

Bidder	:	West Delta 55, LP
Primary Term	:	Three (3) years
Cash Payment	:	\$23,181.93
Annual Rental	:	\$11,590.97
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

TAX ADJUDICATED LANDS TRACT

Tract 43041

Bidder	:	Midstates Petroleum Company LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$8,232.00
Annual Rental	:	\$4,116.00
Royalties	:	23% on oil and gas
	:	23% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 8:48 a.m.

Respectfully submitted,



Victor M. Vaughn  
Executive Officer  
State Mineral and Energy Board



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

A meeting of the Lease Review Committee of the State Mineral and Energy Board convened on Wednesday, January 9, 2013 at 10:00 a.m. with the following members of the board in attendance: Mr. Thomas L. Arnold Jr., Mr. Emile B. Cordaro, Mr. Darryl D. Smith, Ms. Helen G. Smith, Mr. W. Paul Segura Jr., Mr. Robert D. Harper, sitting in for DNR Interim Secretary Stephen Chutz and Mr. Chip Kline (sitting in for Garrett Graves, Governor Jindal's designee to the State Mineral and Energy Board).

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

**I. Geological and Engineering Staff Review**

According to SONRIS there are 1,890 active State Leases covering almost 842,200 acres. The Geological and Engineering Division has reviewed approximately 140 leases covering 50,000 acres.

**II. Committee Review**

1. A staff report on **State Lease 1217**, Bay De Chene Field, Jefferson and Lafourche Parishes. Swift Energy Operating, LLC is the lessee.

The recommendation was that Swift, upon completion of the well, submit a six month report including the results of the well and a new plan of development for the non-productive acreage on the lease.

2. A staff report on **State Lease 173**, Caddo Pine Island Field, Caddo Parish. Rock Well Petroleum (U.S.), Inc.

The staff recommends that by April 10, 2013, Rockwell Petroleum report on their efforts to drill the State Lease 173 No. 3 and other activities affecting the lease.

**III. Report on Force Majeure**

Request by staff to extend recognition of force majeure condition until the July 10, 2013 Board meeting affecting Stone Energy's SLs 15074, 17309 and A0285, resulting from the Tennessee Gas pipeline leak that occurred January, 2011, was granted by the Board.

Request by Sylvan Energy to recognize force majeure condition affecting State Lease 1337 due to rig availability beginning December 25, 2012 until the February 13, 2013 Board meeting, was granted by the Board.

Updated 12/27/2012

Company Name	Lease Numbers
<b>Leases Off Production Due to Hurricane Isaac</b>	
Aviva America, Inc.	4407, 4458, 4865, 5049
Stone Energy Offshore, L.L.C.	14498, 15310, 15970, 16255, 16256, 16257, 18603
<b>Leases Off Production Due to Non-Storm Related Force Majeure Events</b>	
Apache Corporation	A0137, 12105
Black Elk Energy	14905
Chevron U. S. A., Inc.	19534, 19536, 19547
Energy Properties, Inc.	725
Hilcorp Energy I, L.P.	16100, 16293
Saratoga / The Harvest Group, LLC	A0311
Stone Energy Offshore, L.L.C.	15074, 17309, A0285
Sylvan Energy	1337

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

On motion by Ms. Smith, seconded by Mr. Cordaro, the Committee moved to adjourn the January 9, 2013 meeting at 10:06 a.m.

Respectfully submitted,



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

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

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### LEASE REVIEW COMMITTEE

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

**WHEREAS**, pursuant to Louisiana Revised Statute 30.129, the Louisiana State Mineral and Energy Board (the "Board") is the body designated to award and administer mineral leases on lands and water bottoms belonging to the State or the title to which is in the public trust;

**WHEREAS**, Stone Energy made a request to recognize that a force majeure condition exists due to a pipeline leak causing Tennessee Gas to shut-in the gas sales line on January 3, 2011 which services State Leases 15074, 17309, and Operating Agreement A0285, Terrebonne Parish, Louisiana;

**WHEREAS**, Stone Energy met with further delays in restoring production due to a Texas Gas Pipeline rupture and explosion on April 9, 2012;

**WHEREAS**, these leases and operating agreement are now fully maintained by shut-in payments;

**WHEREAS**, at the August 8, 2012 meeting, the Board extended recognition of force majeure until the meeting on January 9, 2013;

**WHEREAS**, Stone notified the Board that the conditions of the force majeure had not abated and requested six additional months to restore production to the State Leases and Operating Agreement mentioned herein;

**NOW THEREFORE BE IT RESOLVED** that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby extend recognition of the force majeure event until the July 10, 2013 meeting, at which time Stone will re-establish a gas market or continue to maintain State Leases 15074 and 17309 and Operating Agreement A0285 with shut-in payments. The Board will reserve its rights to review and reconsider whether additional action is necessary at the July 10, 2013 meeting. Furthermore, the Board requires that Stone continue in a due diligent manner, to mitigate or negate the effect of said activities which caused the force majeure.

### CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge Louisiana on the 9<sup>th</sup> day of January, 2013, 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.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### LEASE REVIEW COMMITTEE

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

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

**WHEREAS**, a request was made by Sylvan Energy, LLC (herein Sylvan) to recognize that a force majeure condition exists for State Lease 1337 in Saint Mary Parish, Louisiana due to availability of a workover rig necessary to complete reworking operations affecting the State Lease beginning December 25, 2012;

**WHEREAS**, Sylvan was delayed moving a rig on location for several months due to government permitting delays preventing them from timely preparation of the well location and lost access to workover rigs several times prior to the lease critical date December 25, 2012;

**WHEREAS**, State Lease 1337 includes a "Force Majeure" provision which allows the Operator to maintain these leases without complying with the actual drilling or reworking operations or by actual production requirements for as long as the force majeure is in effect;

**WHEREAS**, Neil M. Sullivan, Chief Executive Officer of Sylvan, submitted a notarized affidavit on behalf of Sylvan, which stated that the activities and/or fortuitous events which caused the force majeure was beyond the control, not the cause, and/or due to said company and/or business entity's negligence or intentional commission or omission;

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

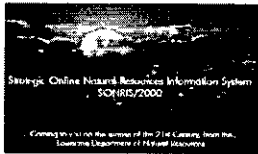
**NOW THEREFORE BE IT RESOLVED** that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby recognize and acknowledge the force majeure event beginning December 25, 2012 until such time as Sylvan Energy, L.L.C. obtains a rig to complete reworking operations affecting State Lease 1337 or the February 13, 2013 meeting whichever occurs earlier. Once production operations begin Sylvan Energy, L.L.C. shall maintain the lease in accordance with the normal language in the lease concerning continuing operations and production. The Board requires that Sylvan Energy, L.L.C. submit to the staff monthly updates due no later than the 1<sup>st</sup> of each month. Furthermore, the Board requires that Sylvan continue in a due diligent manner, to mitigate or negate the effect of said activities which caused the force majeure.

### CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 9<sup>th</sup> day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
\_\_\_\_\_  
State Mineral and Energy Board





Louisiana Department of Natural Resources (DNR)

SONRIS

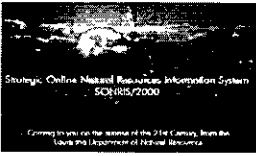
Staff Reviews

Report run on: January 16, 2013 8:29 AM

District Code 1 New Orleans- East

Get Review Date January 9, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
01794		COX BAY	BN-1/BN-8 RA SUA, 07/31/2007 198-B	674	674	JAN. AR
03508		MAIN PASS BLOCK 69	237742-SL 3508-036 07/12/2008	683	2921.08	JAN. AR 11/8/12 JASON T SPOKE WITH APACHE. THEY ARE GOING TO REL ~404 AC IN LIEU OF A MTG
03770		BRETON SOUND BLOCK 53		624	624	JAN. AR
04708		BRETON SOUND BLOCK 32	237365-SL 4708-018 06/05/2008	454.431	454.431	JAN. SAR 1/4/13 JPT: LEASE HBP 126539 PRD 8-10/12
16569		BRETON SOUND BLOCK 47		288.74	288.74	JAN. AR
17073		LAKE BORGNE		631.34	631.34	JAN. AR
17074		LAKE BORGNE		945.36	945.36	JAN. AR
17620		PELICAN POINT	319.71 10/07/2004	77.29	77.29	JAN. AR CONCURSUS - ROYALTIES TO COURT REGISTRY
17674		BRETON SOUND BLOCK 53	VUD; 03/14/2012	50.57	50.57	JAN. AR
17675		BRETON SOUND BLOCK 53	VUD; 03/14/2012	207.26	207.26	JAN. AR
19445		MAIN PASS BLOCK 49	VUA,SL 19445 04/14/2010	64.99	64.99	JAN. AR
19446		MAIN PASS BLOCK 49	VUA;SL 19445 04/14/2010	51.75	51.75	JAN. AR
19502		CHIPOLA	2.145 12/10/2010	5.855	5.855	JAN. AR
20537		CHIPOLA	L TUSC A RA SUB;HURST 05/03/2011 1511-A	18.556	72	JAN 12/20/12 DD APPROVED TO 1/12/14 12/19/12 DDPMT TO JMB & JPT PT 1/12/14
20550		CHIPOLA	L TUSC A RA SUB;HURST 05/03/2011 1511-A	3.893	66	JAN. 12/20/12 DD APPROVED TO 3/9/14 12/19/12 DDPMT TO JMB & JPT DD 3/9/13 PT 3/9/14
20762				0	128.44	JAN. PT 10/12/14
20763				0	182.43	JAN. 2012 RNTL PD PT 10/12/14
20764				0	35.57	JAN. 11/27/12 RS - LEASE NOT EXP BEING ADDED TO VUA SL 19445 (LUW 306346) PER MIKE B PT 10/12/14



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: January 16, 2013 8:29 AM

District Code 1W New Orleans- West

Get Review Date January 9, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
01217		BAY DE CHENE , GOLDEN MEADOW	9950 R006 SUA;BDC UB 780-NN 99-138	1531	4041	JAN. OB RCD 1/2/13 SWIFT> S:245066 VUB 10/4/12, TD 11,233' 11/17/12 < EXT TO 12/31/12 TO SPUD OR 700 AC PR
01467		BAYOU PLAQUEMINE	31.718 07/08/1981	.282	.282	JAN. 12/5/12 REL RQD 12/4/12 APP EXP REQ REL PER JASON T JUL. AR 5/22/12 CHANGED REV DATE TO 07/12 SO THAT IT WILL BE WITH SL 5913
01486		BAY MARCHAND BLOCK 2 OFFSHORE	SL 1486	253	1367.85	JAN 12/7/12 OMR TO CHVN FOLLOWING 12/5 MTG CHVN SCHD 2ND MTG BY 1/10/14:TO DISCUSS RESULTS OF GEOPHYSICAL SRVY AFFECTING B.MARCHAND DEV.
02203		WEST BAY	4-8 RA SUA;SL 20564 08/23/2011 396-GGGG 11-467	40	55	JAN. AR
02593		WEST DELTA BLOCK 83	WDB 83 10100 CSU 11/01/1977	129.44	129.44	JAN. AR
02724		BAY MARCHAND BLOCK 2 OFFSHORE , BAY MARCHAND BLOCK 2 ONSHORE	8100 RHH SUA;SL 1482 184-BBB-1 01-557	139	715	JAN 12/7/12 OMR TO CHVN FOLLOWING 12/5 MTG CHVN SCHD 2ND MTG BY 1/10/14:TO DISCUSS RESULTS OF GEOPHYSICAL SRVY AFFECTING B.MARCHAND DEV.
02869		WEST DELTA BLOCK 27	WDB27 SU	1480	1527	JAN. AR / ANN POD
03528		WEST DELTA BLOCK 27	WDB27 SU	1904	2135	JAN. AR / ANN POD
03529		WEST DELTA BLOCK 27	WDB27 SU	1676	1834	JAN. AR/ ANN POD
03978		WEST DELTA BLOCK 27	WDB27 SU	571	1234	JAN. AR A/POD
04043		WEST LAKE PONTCHARTRAIN EAST BLK 41	7400 SUA; S.L. 4041 03/01/1982	100.38	100.38	JAN. AR
04242		WEST DELTA BLOCK 27,	WDB27 SU	75.72	75.72	JAN. AR / ANN POD
04518		ST JOHN		.56	.56	JAN. AR
06121		FALSE RIVER	51.411 02/12/1979	109	109	JAN. AR
09570		BAY BATISTE	74.466 01/23/2007	25.54	25.54	JAN. AR
09571		BAY BATISTE	28 RA SUA;SL 9570 04/01/1996	57	77.091	JAN. AR



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: January 16, 2013 8:29 AM

District Code 1W New Orleans- West

Get Review Date January 9, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
09572		BAY BATISTE	260.649 09/18/1986	43.421	43.421	JAN. AR
10215		LITTLE LAKE		160	160	JAN. AR 12/13/12 REL RQD 12/13/12 APP EXP REQ REL PER MIKE B
14645		BASTIAN BAY	7950 RA SUA;SL 14645 339-WWW-5 99-316	147.519	147.519	JAN 12/13/12 APP EXP- REQ REL PER MIKE B 12/13/12 VERONICA B HAS BEEN REQ. A RELEASE SINCE 11/5/10; LAST SPOKE WITH NEWFIELD ABOUT THE ACREAGE 11/12
15631		SATURDAY ISLAND	VUA;SL 15744	342.661	342.661	JAN. AR
15744		SATURDAY ISLAND	VUA;SL 15744	297.339	297.339	JAN. AR
17344		VENICE	42.483 01/13/2006	14.517	14.517	JAN. AR 12/12/12 CK AGAIN 6 MOS PER MIKE B;;;10/18/12 JMB EFF 7/1/12 227412 051067 W PLAT DATED 8/8/12
17344		VENICE	42.483 01/13/2006	14.517	14.517	JAN. 12/12/12 CK AGAIN 6 MOS PER MIKE B;;;10/18/12 JMB EFF 7/1/12 227412 051067 W PLAT DATED 8/8/12
17344		VENICE	42.483 01/13/2006	14.517	14.517	JAN. AR 1/4/13 JMB FOUND LEASE HBP 227412 051067 = AR 10/18/12 JMB EFF 7/1/12 227412 051067 W PLAT DATED 8/8/12
18015		LAKE WASHINGTON	3000 RB SUA, COCKRELL- MORAN 11/16/2005 149-DDD-2 05-889	.52	52	JAN. AR
18441		THREE BAYOU BAY	234871-VUA;SL 18441- 001 01/21/2007	143.866	143.866	JAN. AR
18637		BAY MARCHAND BLOCK 2 OFFSHORE	245235-SL 18637-0-10 07/31/2012	260	1603.93	JAN. 12/7/12 OMR TO CHVN FOLLOWING 12/5 MTG CHVN SCHD 2ND MTG BY 1/10/14:TO DISCUSS RESULTS OF GEOPHYSICAL SRVY AFFECTING B.MARCHAND DEV.
19486		LITTLE LAKE	TP 6 RD SUA;J FISHER HEIRS 09/16/2008 604-G-3	6.746	315.66	JAN. SUGGEST AR 12/26/12 RCD UNOFL PR OF 308.914, RTNG 6.746 AC PER OOC 1/6/10 APPROVED PLAT 9/25/12 309.836 AC PR RQD FINAL DD 9/12/12 PT 9/12/10
19487		LITTLE LAKE	TP 6 RD SUA;J FISHER HEIRS 09/16/2008 604-G-3	100.82	182	JAN. SUGGEST AR 12/26/12 RCD UNOFL PR OF 81.18, RTNG 100.82 AC PER OOC 1/6/10 APPROVED PLAT 9/25/12 80.248 AC PR RQD FINAL DD 9/12/12 PT 9/12/10



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Staff Reviews

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District Code 1W New Orleans- West

Get Review Date January 9, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In.
19953		TIMBALIER BAY ONSHORE	D 30-39 RA SUA,SL 1772 11/01/2010 665-ZZ 10-995	77.622	239.32	JAN. 12/18/12 FINAL DD APPROVED TO 12/10/13 12/11/12 FINAL DDPMT TO JMB, THEN JPT RETURNING 12/18 77.622 AC HPB 616503 TO 9/12 DD 12/10/12 & PT 12/10/11 11/12/11
20011		TIMBALIER BAY ONSHORE	D 30-39 RA SUA,SL 1772 11/01/2010 665-ZZ 10-995	2.533	209.47	JAN. 12/20/12 FINAL DD APPROVED TO 1/14/14 12/19/12 DDPMT TO JMB & JPT, OVERPD \$316 62 DD 1/14/13 PT 1/14/12
20451				0	36	JAN 12/19/12 RENTAL PAID PT 10/13/13
20459				0	41.26	JAN. 12/19/12 RENTAL PAID PT 10/13/13



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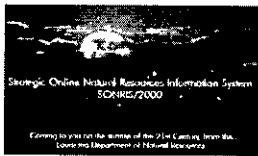
Staff Reviews

Report run on: January 16, 2013 8:29 AM

District Code 2 Lafayette

Get Review Date January 9, 2013

Lease Num.	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00199B	2	LAKE BARRE	VU26;LB U26	144	566.99	JAN. AR 1/3/13 OMR TO HLCP: POD/ REL BY 5/8/13
00301A	0	CAILLOU ISLAND	401.99 02/17/2012	2345	5363.48	JAN. AR 1/3/13 OMR TO HLCP POD/REL BY 5/8/13
00301A	1	CAILLOU ISLAND	401.99 02/17/2012	0	515.74	JAN. AR 1/3/13 OMR TO HLCP POD/REL BY 5/8/13
00346		GRAVEYARD ISLAND , LAKE VERRET, WEST	VU C;	132	383	JAN. AR SSB 12/19/12 10 PRDG LUWS TO 10/12 \$10/12
00368		BAYOU SALE	BS ROB 6 RJ SU	200	400	JAN. AR SSB 12/19/12 10 PRDG LUWS TO 10/12 \$10/12
01337		BATEMAN LAKE , SWEET BAY LAKE	9700 RSW1B SUA;SL 1337 WAX U1  89-K-3 90-110	600	2076	JAN. RCD 12/12/12 SYLVAN RPT RCD 11/26/12 SYLVAN RPT 12/25/12 CRITICAL DATE CK LEASE STATUS
02034		BRANCH, NORTHWEST , CHURCH POINT	NWB SU 06/01/1988	8.8	12	JAN. AR 12/26/12 JPT: NEED TO CK IN 2 MOS JPT OK'D SSB 12/19/12 700300 8.80 AC TO 9/12 (ZEROS 10 & 11/12) ZERO \$
03435		LAKE LA ROSE	155.4 12/16/1992	76	76	JAN. AR SSB 12/19/12 603433 W .76 AC TO 10/12 \$10/12
03897		JEANERETTE	PLAN 4-A SU A; C. B. CAUSEY 12/01/1986	8.61	11.19	JAN. AR 12/26/12 JPT: HBP FROM UNIT JPT OK'D SSB 12/19/12 602394 8.61 AC TO 9/12 & \$9/12
07584		LAKE ARTHUR, SOUTH	48.756 12/29/2008	36.592	81.816	JAN. AR SSB 12/19/12 612273 & 616192 W 36.592 AC PRD TO 9/12, \$ 10/12 7/6/12 F-U SENT 2/6/12 PR RQD
14310		SHIP SHOAL BLOCK 45	191.067 09/23/1999	274.073	274.073	JAN. AR SSB 12/19/12 048599 & 303680 274.073 AC PRD TO 10/12, \$ 10/12
14311		SHIP SHOAL BLOCK 45	145.449 09/23/1999	387.771	387.771	JAN. AR SSB 12/19/12 048599 & 303680 387.771 AC PRD TO 10/12, \$ 10/12
17895		LAPEYROUSE	PELICAN RA SUA;SL 16446 08/02/2005 416-B-10 05-795	270	270	JAN. AR 12/26/12 JPT: HBP FROM VUA > < CK PRD PER JPT 9/7/12 SEP. AR
18677		FOUR LEAGUE BAY	644.863 07/26/2010	43.137	43.137	JAN. AR SSB 12/19/12 306175 43.137 AC PRD TO 9/12, \$ 10/12
18860		EUGENE ISLAND BLOCK 6	SL 18860 02/13/2008	244.08	335.91	JAN. PR REQUESTED 12-26-12 SSB 12/19/12 306035 244.08 AC PRD TO 9/12, \$ 10/12 =RS TO JPT: SUGGEST AR UPON RCT OF PR FINAL DD 1/11/13 PT 1/11/11
19155		EUGENE ISLAND BLOCK 6	SL 18860 02/13/2008	250	250	JAN. AR SSB 12/19/12 306035 250 AC PRD TO 9/12, \$ 10/12 SUMMIT EGA 20031001(10/03)
19299		EUGENE ISLAND BLOCK 7	216.206 03/15/2011	16.564	16.564	JAN. AR SSB 12/19/12 616381 16.564 AC PRD TO 10/12, \$



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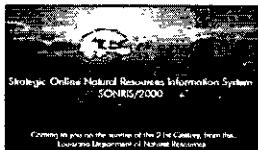
Staff Reviews

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District Code 2 Lafayette

Get Review Date January 9, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
						10/12
19411		EUGENE ISLAND BLOCK 7	150 077 09/10/2010	148.183	148 183	JAN. AR SSB 12/19/12 616381 148.183 AC PRD TO 10/12, \$ 10/12
19731		EUGENE ISLAND BLOCK 7	302 989 08/18/2011	102.761	102.761	JAN. AR SSB 12/19/12 616381 102.761 AC PRD TO 10/12, \$ 10/12
19746		EUGENE ISLAND BLOCK 7	CIB OP G VUA;SL 19731 05/12/2010	42 41	42.41	JAN AR SSB 12/19/12 240386 616381 42 41 AC PRD TO 10/12; ZERO \$, RPTD TO MI
20452				0	258	JAN. 2012 RNTL PD PT 10/13/13
20685				0	625.35	JAN 12/19/12 VUA MTG OCT PT 7/13/14 ATCHAFALAYA DELTA WMA
20686				0	166.84	JAN. 12/19/12 VUA MTG OCT. PT 7/13/14 ATCHAFALAYA DELTA WMA
20687				0	273.02	JAN. 12/19/12 VUA MTG OCT. PT 7/13/14 ATCHAFALAYA DELTA WMA
20688				0	253.93	JAN. 12/19/12 VUA MTG OCT. PT 7/13/14 ATCHAFALAYA DELTA WMA
20719				0	775.75	JAN 1/3/13 VUB MTG PT 9/14/16
20720				0	6.33	JAN. 1/3/13 VUB MTG PT 9/14/16
20754				0	35 93	JAN. 1/3/13 VUB MTG ATCHFALAYA DELTA WMA PT 9/14/14
20755				0	73 57	JAN. 1/3/13 VUB MTG ATCHFALAYA DELTA WMA PT 9/14/14
20759				0	38	JAN. 2012 RNTL PD PT 10/12/14
20761				0	589	JAN. 2012 RNTL PD PT 10/12/14
21044				0	134 56	JAN. PT 10/10/17 1/3/13 VUB MTG
21045				0	43.64	JAN. PT 10/10/17 1/3/13 VUB MTG
21053				0	375.77	JAN PT 10/10/15 ATCHAFALAYA DELTA WMA 1/3/13 PROPOSED VUB MTG
21054				0	105 81	JAN. PT 10/10/15 ATCHAFALAYA DELTA WMA 1/3/13 PROPOSED VUB MTG
21055				0	.94	JAN. PT 10/10/15 ATCHAFALAYA DELTA WMA 1/3/13 VUB MTG



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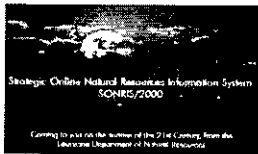
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District Code 3 Lake Charles- North

Get Review Date January 9, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00112		CADDO PINE ISLAND		40	40	JAN. AR 12/6/12 SAM. HBP
00173		CADDO PINE ISLAND	242085-SL 173 11-002 12/29/2010	1800	6500	JAN. OB RCD 12/12/12 ROCKWELL #2 & #3 RPT & RCD 9/17/12 GEMINI P&A RPT ON 4 WELLS OR DRL RPT ON 2 WELLS.
00249		SLIGO	HOSS 2 SUL;SKANNAL 01/01/1989	49	49	JAN. AR 12/6/12 SAM: HBP
00543		LUCKY	VUW;NEBO OIL CO	130	130	JAN AR 12/6/12 SAM: HBP
00598		HAYNESVILLE	HA P SU 07/01/1976	.138	138	JAN AR 12/6/12 SAM: HBP
04481		PARKER LAKE	MINTER SU 49 A T HUNT 07/07/2010 712-A-4 10-771	15.79	43.28	JAN. AR 12/6/12 SAM HBP
04652		BRYCELAND, WEST	HOSS B SUE;CRAWFORD F 09/01/1995	3.1	3.5	JAN. AR 12/6/12 SAM HBP
04653		BRYCELAND, WEST	HOSS B SU H; SIMMONS 07/01/1976	1.4	1.4	JAN. AR 12/6/12 SAM: HBP
04654		BRYCELAND, WEST	HOSS B SU H; SIMMONS 07/01/1976	.4	.4	JAN AR 12/6/12 SAM: HBP
06815		GREENWOOD-WASKOM	G W H L SU 12/01/1993	5.158	5.158	JAN. AR 12/6/12 SAM HBP
11155		CEDAR GROVE , ELM GROVE	VUB;L A COWLEY	76 18	76 18	JAN. AR 12/6/12 SAM: HBP 6/21/12 EFF 11/1/11 SAM: NEW W PLAT 617365 HA RA SUO 3/21/12 JPT: 617319 PRELIMINARY 118
11855		ELM GROVE	VUB;L A COWLEY	30.83	30.83	JAN. AR 12/6/12 SAM: HBP, RPTD NO ROYALTY
15448		PITKIN	AUS C RA SUG;EXXON MINERALS 13 07/29/1997 1412-A-2 97-494	40	40	JAN. 12/6/12 SAM: SPORATIC PRD, SEMI-ANNUAL REVIEW JUL. SAR
15459		MASTERS CREEK, WEST	AUS C RA SUG;TEMPLE 22 02/01/1997	8	8	JAN. AR 12/6/12 SAM: HBP
15461		MASTERS CREEK, WEST	AUS C RA SUF;TEMPLE A 24 04/01/1997	68.238	68 238	JAN. AR 12/6/12 SAM. HBP
15873		SUGARTOWN	17 348 12/17/2009	12.908	12.908	JAN. AR 12/6/12 SAM: HBP



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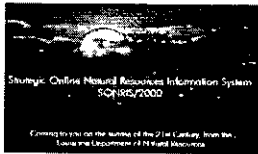
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District Code 3 Lake Charles- North  
 Get Review Date January 9, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review in
16305		ELM GROVE	HA RA SU98;MOON LAKE 10 10/20/2009 361-L-64 09-1112	26	26	JAN. AR 12/6/12 SAM: HBP 11/26/12 EFF 2/1/12 SAM. 222954 617437 HOSS RA SU9
16623		MASTERS CREEK	AUS C RA SUVV;SWENCO MIN A22 02/04/1997 1386-A-11 97-43	40	40	JAN. AR 12/6/12 SAM: HBP
17947		CASPIANA	HA RB SUO;ZIMMERMAN 36-15-12 H 12/09/2008 191-H-26 08-1817	15.08	15 08	JAN. AR 12/6/12 SAM: HBP
18243		ELM GROVE	112.84 12/02/2010	126.26	126.26	JAN. AR 12/6/12 SAM: HBP
18368		CASPIANA , ELM GROVE	LCV RA SU119;LEONARD RD FRMS32 10/22/2008 361-E-546 08-1636	149.709	149.709	JAN. AR 12/6/12 SAM: HBP
19121		ELM GROVE	CV RA SU88;HARTER 15  361-B-5	8.5	8.5	JAN. AR 12/6/12 SAM: HBP
19122		CASPIANA	CV RA SUW;BROYLES 2 04/24/2007 191-A-1	83.741	83 741	JAN. AR 12/6/12 SAM: HBP
19125		RED RIVER-BULL BAYOU	HA RD SUI;J T BOLAN ETAL 34H 06/25/2009 109-X 08-858	79.501	79.501	JAN. AR 12/5/12 PR RQD 12/3/12 RS SAM LEASE PARTIALLY HELD SN 23999 LUW 615936 - 12.79 PR NEEDED
19501		DIXIE	68 01/25/2010	25.558	25.558	JAN. AR 12/6/12 SAM: HBP
19838		RED RIVER-BULL BAYOU	36 03/19/2012	23.417	23.417	JAN. AR 12/21/12 SAM: AC CHANGED PER PLATS, NO NP AC ON LEASE. 11/21/12 EFF 7/1/11 JPT CORRECTION REPLACES PRELIM 101 239423 617063 HA RB SUDD
19958		CARLTON, NORTH	CV PRUDY RB SUA,B L MAZA 03/06/2007 746-C-2 07-164	40	40	JAN. AR 12/6/12 SAM: HBP, NO ROYLTY WAS RPTD TO MI TAX ADJUDICATED LANDS
20147		ELM GROVE	HA RA SU90;MAMIE ELSTON 13 H 09/10/2009 361-L-58 09-970	33	33	JAN. 12/6/12 SAM: SUGGEST AR,100% HBP PT 10/14/12 241361
20150		THORN LAKE	HA RA SUF;WAERSTAD 07/15/2008 1145-B	3	3	JAN 12/6/12 SAM: SUGGEST AR,100% HBP PT 10/14/12
20152		CASPIANA	HA RA SU139;GUY FARMS 9 H 12/01/2009 191-H-71 09-1242	1	1	JAN 12/6/12 SAM: SUGGEST AR,100% HBP PT 10/14/12





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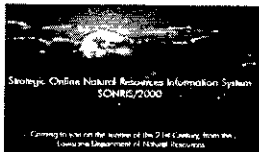
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District Code 3 Lake Charles- North

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
20153		BRACKY BRANCH	HA RA SUA;BROWN SW MIN 9H 09/16/2008 917-L	11.727	11 727	JAN. 12/6/12 SAM: SUGGEST AR,100% HBP PT 10/14/12
20154		RED RIVER-BULL BAYOU	HA RB SU67;WELLMAN 29-13-11 H 10/13/2009 109-X-66 09-1107	4	4	JAN. 12/6/12 SAM: SUGGEST AR,100% HBP PT 10/14/12
20155		RED RIVER-BULL BAYOU	HA RB SU73;FORTSON ETAL 4 01/05/2010 109-X-74 10-13	1	1	JAN. 12/6/12 SAM: SUGGEST AR,100% HBP PT 10/14/12
20158		CHEMARD LAKE	20.578 01/19/2011	9.422	9.422	JAN 12/6/12 SAM SUGGEST AR,100% HBP PT 10/14/12
20159		CHEMARD LAKE , RED RIVER-BULL BAYOU	HA RA SUA;PRIEST 12 H 04/28/2009 700-G 09-452	11.631	11.631	JAN 12/6/12 SAM: SUGGEST AR 100%HBP CHANGED 6 AC TO 11.631 PER SRVY PLAT PT 10/14/12
20173		RED RIVER-BULL BAYOU	HA RB SUVV,WELLMAN 20-13-11 H 07/21/2009 109-X-54 09-767	39.716	39.716	JAN. 12/6/12 SAM: SUGGEST AR,100% HBP PT 10/14/12 TAX ADJUDICATED
20256		BAYOU SAN MIGUEL	HA RA SUA;ROBERT BOZEMAN 29 H 10/28/2009 1513-B 08-1673	160.344	160.344	JAN. 12/6/12 SAM: SUGGEST AR,100% HBP PT 1/13/13 TAX ADJUDICATED LANDS
20404		KING HILL , REDOAK LAKE	158 32 10/19/2012	14 68	14 68	JAN. 11/2/12 RCD OFL PR OF 158 32, RTNG 14.68 EFF 10/19/12 12/19/12 PRD TO 10/12 OK SSB 10/18/12 14.33 AC HB HA RA SUR, LAST PRD 6/12, ZERO PRD 7/12 = RECK PRD
20446		ELM GROVE	HA RA SUNN;BENBOW 4-15-11 H 01/27/2009 361-L-22 09-93	1	1	JAN. 12/6/12 SAM HBP PT 10/13/13
20447				0	207	JAN. 12/6/12 SAM. 2012 RNTL PD PT 10/13/13
20467		GREENWOOD-WASKOM	HA RA SU81;CHC 34-17-15 H 05/18/2010 270-MM-48 10-550	4.961	4.961	JAN. 12/6/12 SAM: 100% HBP PT 10/13/13 TAX ADJUDICATED
20468		GREENWOOD-WASKOM	HA RA SU81;CHC 34-17-15 H 05/18/2010 270-MM-48 10-550	20 007	20.007	JAN. 12/6/12 SAM: 100% HBP PT 10/13/13 TAX ADJUDICATED
20469		CEDAR GROVE	HA RA SUL;SHREVE 2-16-14 H 01/11/2010 967-C-6 09-1202	5	5	JAN 12/6/12 SAM: 100% HBP PT 10/13/13 NO ROYALTY, RPTD TAX ADJUDICATED
20471		GREENWOOD-WASKOM	HA RA SU78;LCD&S 23-17-15 H 06/03/2010 270-MM-51 10-586	53.723	53.723	JAN. 12/6/12 SAM 100% HBP PT 10/13/13 VACANT STATE LAND



Louisiana Department of Natural Resources (DNR)

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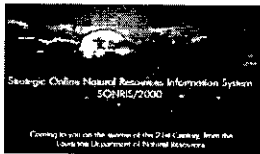
Staff Reviews

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District Code 3 Lake Charles- North

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
20757		BRACKY BRANCH	JUR RB SUD;BLK STONE IVORY 19H 06/17/2008 917-J-2 08-825	8.882	15	JAN. 12/28/12 RCD UNOFL PR OF 6.118, RTNG 8.882 AC 10/24/12 PR RQD PT 10/12/14
20758				0	11	JAN. 12/27/12 SRVY PLAT RQD ENCANA, HA RB SU66; 109-X- 66, RED RIVER-BULL BAYOU; RED RIVER; 244211; 617535 12/6/12 SAM 2012 RNTL PD PT 10/12/14
20846		CATAHOULA LAKE	WX B RC SU40;SL 20846 07/17/2012 773-F-19 12-461	40	156.65	JAN 11/29/12 EFF 7/1/12 JPT PRELIMINARY 165 244646 051024 WX B RC SU40, BEGAN PRDG 7-10/12 MAY. PT 2/8/15



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

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District Code 3S Lake Charles- South  
 Get Review Date January 9, 2013

Lease Num.	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00517		REDDELL	6620 RA SUA;JM HAAS ETAL 08/09/2011 98-S 11-208	35.02	50	JAN. AR 12/5/12 STEVE HBP
11384		LAKE ARTHUR, SOUTH	48 728 12/29/2008	112.612	112.612	JAN. AR 12/5/12 STEVE HBP
12239		COWARDS GULLY	27.44 10/05/1990	35.56	35.56	JAN. AR 12/5/12 STEVE HBP
12725		WEST CAMERON BLOCK 1	9850 RA SUA;SL 12848 12/19/2006 1358-G 06-1428	104.29	104.29	JAN. AR 12/5/12 STEVE HBP
15690		GILLIS-ENGLISH BAYOU	140.22 09/26/2001	11.01	11.01	JAN. AR 12/5/12 STEVE HBP
15691		GILLIS-ENGLISH BAYOU	17.04 09/26/2001	21.96	21.96	JAN. AR 12/5/12 STEVE HBP
18423		CREOLE OFFSHORE	VUB;SL 18521 12/14/2011	401.36	401.36	JAN. AR 12/5/12 STEVE HBP
18429		BEACONS GULLY	33.432 07/12/2007	2.568	2.568	JAN. AR 12/5/12 STEVE HBP
18521		CREOLE OFFSHORE , LAKE ST JOHN	244198-VUB;SL 18521-008 02/09/2012	433.41	433.41	JAN. AR 12/5/12 STEVE HBP
19031		CREOLE OFFSHORE	VUB;SL 18521 12/14/2011	38	38	JAN. AR 12/5/12 STEVE HBP
19547				228 826	762	JAN 12/18/12 DD APRVD TO 12/13/13 12/12/12 DD TO STEVE 9/12/12 SMB GRANTED ADD'L DDPMT FINAL DD 12/12/12 PT 12/12/10 FM TO 3/13/13
19938		GRAND LAKE	243850-SL 19938-002 09/22/2011	141.87	463	JAN. 12/18/12 FINAL DDPMT APRVD TO 12/10/13 12/10/12 DDPMT TO STEVE DD 12/10/12 PT 12/10/11 10/8/11
19939		GRAND LAKE	PLAN RA SUA;SL 19938 09/13/2011 214-J 11-514	116.63	279	JAN. 12/18/12 FINAL DD APRVD TO 12/10/13 12/10/12 DDPMT TO STEVE DD 12/10/12 PT 12/10/11 10/8/11
20177				0	224	JAN. 12/5/12 REL RQD 12/3/12 RS JPT: APP EXP PT 11/12/12
20497		GRAND LAKE	13-19 RA SUA,SL 344 08/14/2012 214-L 12-480	24 608	380	JAN 12/20/12 DD APRVD TO 12/8/13 12/7/12 JPT W/O SHORELINE -DD APRVL 11/21/12 DD TO STEVE(11/27) PT 12/8/13
20760				0	9	JAN. 12/5/12 STEVE: 2012 RNTL PD PT 10/12/14
20825		INDIAN VILLAGE	HBY RG SUA,KING MINERALS LLC 12/13/2011 143-F-6 11-747	.787	3	JAN. 12/18/12 DD APRVD TO 1/11/14 12/13/12 DD TO STEVE PT 1/11/15 8/31/12 JPT TRNMTL ADVISES AC MET, NO LD REQUIRED *
<b>151</b>				<b>24,784.808</b>	<b>51,474.140</b>	



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

***NOMINATION AND TRACT COMMITTEE REPORT***

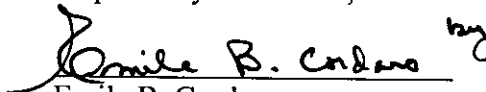
The Nomination and Tract Committee, convened at **10:06 a.m.** on Wednesday, **January 9, 2013** with the following members of the Board in attendance:

Mr. Thomas L. Arnold, Jr.	Mr. Emile B. Cordaro	Mr. Robert D. Harper
Mr. Paul Segura, Jr.	Mr. Darryl D. Smith	Mr. Chip Kline (sitting in for Garret Graves, Gov. Jindal's Designee)
	Ms. Helen G. Smith	

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the March 13, 2013 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Arnold**, duly seconded by **Mr. Smith**, the Committee voted unanimously to recommend to the Board the granting of authority to the staff to advertise all such tracts as have been reviewed by the State Land Office and the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report presented by Mr. Fontenot.

The Committee, on the motion of **Mr. Arnold**, seconded by **Mr. Smith**, voted to adjourn at **10:07 a.m.**

Respectfully Submitted,

Handwritten signature of Emile B. Cordaro in black ink, with a small "by S.F." written to the right.

Emile B. Cordaro  
Chairman  
Nomination and Tract Committee

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## NOMINATION AND TRACT COMMITTEE

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

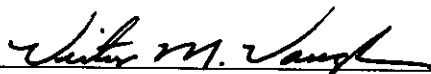
**WHEREAS**, Mr. Emile Fontenot presented to the State Mineral and Energy Board that 18 tracts had been nominated for the March 13, 2013 Mineral Lease Sale, and that same are to be advertised pending staff review; now therefore

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

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

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 9th day of January 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



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

**AUDIT COMMITTEE REPORT**

The regular meeting of the Audit Committee of the State Mineral and Energy Board was held on Wednesday, January 9, 2013, following the Nomination and Tract Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building, located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Robert D. Harper  
Thomas L. Arnold, Jr.  
Emile B. Cordaro

Chip Kline  
W. Paul Segura, Jr  
Darryl D. Smith

Helen G. Smith

Mr. Thomas L. Arnold, Jr. convened the Committee at 10:07 a.m.

The first matter considered by the Committee was a recoupment request from LLOG Exploration Co.

Upon recommendation of the staff and upon motion of Mr. Smith, seconded by Mrs. Smith, the committee voted unanimously to approve the recoupment request of \$110,318.67.

The second matter considered by the Committee was to place Brigham Oil & Gas, LP on demand for unpaid gas royalties which were a result of a field audit..

Upon recommendation of the staff and upon motion of Mr. Smith, seconded by Mr. Cordaro, the committee voted unanimously to approve the demand request.


The third matter considered by the committee was a request by Enervest Operating, LLC to extend the allowable time of a payment made under protest as the result of a field audit.

Upon recommendation of the staff and upon motion of Mr. Harper, seconded by Mr. Cordaro, the committee voted unanimously to approve a thirty (30) day extension and allow a representative from Enervest Operating, LLC to appear before the Board on February 13, 2013.

The fourth matter considered by the Committee was the election of the January 2013 gas royalty to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

No action required.

On motion of Mr. Segura, seconded by Mr. Smith, the Board voted unanimously to adjourn the Audit Committee at 10:18 a.m.

  
Thomas L. Arnold, Jr., Chairman  
Audit Committee

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

**WHEREAS**, LLOG Exploration Company, LLC has made a letter application for an adjustment of \$110,318.65 for the Pecan Lake and West Cameron Block 1 Field, State Leases 18949 and 19402; and

**WHEREAS**, this amount was based on LLOG Exploration Company, LLC submitting an overpayment of gas and plant product royalties based on incorrect volume and value for the month of April 2011 in the West Cameron Block 1 and Pecan Lake Fields; and


**WHEREAS**, the Mineral Income Division has verified that an overpayment in the amount of \$110,318.67 was made and that the applicant is entitled to a credit adjustment; and

**WHEREAS**, the State Mineral and Energy Board after reviewing the work of the Mineral Income Division, agrees that the applicant is entitled to an adjustment, does recommend that the State allow LLOG Exploration Company, LLC to recoup the \$110,318.67 overpayment.

**NOW, BE IT THEREFORE RESOLVED**, that the Board does authorize and direct the Mineral Income Director to effectuate the credit adjustment of \$110,318.67 to LLOG Exploration Company, LLC on a one-time or lump sum basis or on such terms deemed necessary by the Director, which are legally permissible, and without prejudice to any other rights of the state.

## 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 9<sup>th</sup> day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

**WHEREAS**, the State Mineral and Energy Board caused an audit to be performed of Brigham Oil & Gas, LP respecting the royalty payments under State Lease No. 19312 in the Chandeleur Sound Block 68 field; and

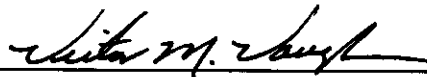
**WHEREAS**, there are differences between Brigham Oil & Gas, LP and the Board regarding the amount of royalty due and interest and penalty charges due by Brigham Oil & Gas, LP; and

**WHEREAS**, the staff of the Office of Mineral Resources has been unable to resolve and settle the outstanding audit issues and interest and penalty billings with Brigham Oil & Gas, LP,

**THEREFORE BE IT RESOLVED**, that James Caldwell, Attorney General of the State of Louisiana is hereby authorized to place formal demand upon Brigham Oil & Gas, LP and other related parties, and further is authorized to take all appropriate action, including the filing of suit on behalf of the Board against Brigham Oil & Gas, LP and other related parties for collection of all royalty due, along with interest, penalty, and all other remedies prescribed by law.

## 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 9<sup>th</sup> day of January, 2013, 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 Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### AUDIT COMMITTEE

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

*WHEREAS*, the State Mineral and Energy Board caused an audit to be performed on Enervest Operating, LLC payments of state royalty in Bay De Chene, Bateman Lake, Cote Blanche Island and Garden Island Bay Field; State Leases 214, 340, 341, 356, 1217, and 1393 and

*WHEREAS*, Enervest Operating, LLC paid \$213,510 in royalty and \$66,902 in interest for a total of \$280,412 under protest and

*WHEREAS*, by the State Mineral and Energy Board Resolution passed August 8, 2012 any audits currently paid under protest and unresolved no later than January 31, 2013 will be considered unpaid and all funds previously received will be returned to auditee; and

*WHEREAS*, Enervest Operating, LLC has made a letter application on January 2, 2013 requesting an extension on its payment under protest


*WHEREAS*, the staff of the Office of Mineral Resources has been unable to resolve and settle the outstanding audit issues.

*WHEREAS*, The State Mineral and Energy Board after reviewing all information agreed to an thirty (30) day extension and to allow a representative from Enervest Operating, LLC to appear before the State Mineral and Energy Board at the February 13, 2013 meeting

*THEREFORE, BE IT RESOLVED*, that the Board does approve a thirty (30) day extension and allow a representative from Enervest Operating, LLC to appear before the Board on February 13, 2013

### 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 9<sup>th</sup> day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



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

**LEGAL AND TITLE CONTROVERSY COMMITTEE REPORT**

The regular meeting of the Legal and Title Controversy Committee of the State Mineral and Energy Board was held on January 9, 2013, following the Audit Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Mr. Robert D. Harper  
Mr. W. Paul Segura, Jr.  
Ms. Helen Godfrey Smith  
Mr. Chip Kline for Garret Graves  
(Governor's Designee)

Mr. Emile B. Cordaro  
Mr. Darryl David Smith  
Mr. Thomas L. Arnold, Jr.

The Legal and Title Controversy Committee was called to order by Mr. Segura at 10:18 a.m.

The first matter considered by the Committee was a request by New Century Exploration, Inc. for the waiver of all or a portion of the liquidated damage assessment levied on the late release of State Lease No. 18434 in the amount of \$10,800.00. Calcasieu Parish, Louisiana.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Smith, the Committee voted unanimously to recommend that the State Mineral and Energy Board reduce the liquidated damage assessment levied on the late release of State Lease No. 18434 in the amount of \$10,800.00 to \$735.76. No comments were made by the public.

The second matter considered by the Committee was a request for final approval of a Lease Amendment by and between the State of Louisiana, through the State Mineral and Energy Board, Hilcorp Energy I, L.P. and Anadarko US Offshore Corporation, whereas said parties desire to amend said leases to include a Force Majeure Provision and other required clauses, affecting State Lease No. 1170, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 13-1.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Smith, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of the Lease Amendment by and between the State of Louisiana, through the State Mineral and Energy Board, Hilcorp Energy I, L.P. and Anadarko US Offshore Corporation, on the docket as Item No. 13-1. No comments were made by the public.

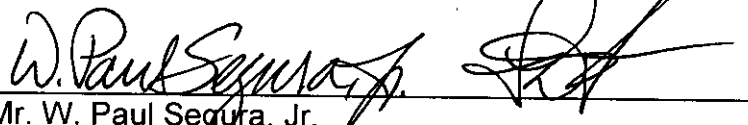
The third matter considered by the Committee was a request for final approval of an Operating Agreement by and between the State Mineral and Energy Board and Hilcorp Energy I, L.P., to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 25% before payout, increasing to 25.5% after payout, in and to the operating tract, covering a portion of former State Lease No. 20563, said operating tract containing 710.2 acres, more or less, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 13-3.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of the Operating Agreement by and between the State Mineral and Energy Board and Hilcorp Energy I, L.P., on the docket as Item No. 13-3. No comments were made by the public.

The fourth matter considered by the Committee was a request by Staff for the Mineral Board to ratify changing the primary terms of State Lease Nos. 21078 and 21079, which were bid and inadvertently accepted as inland tracts with five (5) year primary terms, to the normal three (3) year primary terms awarded to inland tracts according to Board policy and that the acceptance of the original bids containing the five (5) year primary term language be rescinded only as to the five (5) year primary term language.

Upon recommendation of the staff and upon motion of Mr. Smith, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval to ratify changing the primary terms of State Lease Nos. 21078 and 21079 to three (3) year primary terms and rescind the acceptance of the original bids containing the five (5) year primary term language as to the five (5) year primary term. On request by the Board for public comment, comments were made by Pat Theophilus of Theophilus Oil Gas & Land Services.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Ms. Smith, the Legal and Title Controversy Committee meeting adjourned at 10:24 a.m.

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

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

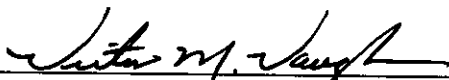
**WHEREAS**, a request was made by New Century Exploration, Inc. for the waiver of all or a portion of the liquidated damage assessment levied on the late release of State Lease No. 18434 in the amount of \$10,800.00. Calcasieu Parish, Louisiana;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board reduce the liquidated damage assessment levied on the late release of State Lease No. 18434 in the amount of \$10,800.00 to \$735.76.

## 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 9<sup>th</sup> day of January, 2013, 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.



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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

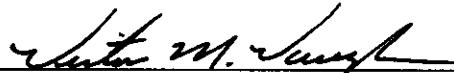
**WHEREAS**, a request was made for final approval of a Lease Amendment by and between the State of Louisiana, through the State Mineral and Energy Board, Hilcorp Energy I, L.P. and Anadarko US Offshore Corporation, whereas said parties desire to amend said leases to include a Force Majeure Provision and other required clauses, affecting State Lease No. 1170, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 13-1;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Lease Amendment by and between the State of Louisiana, through the State Mineral and Energy Board, Hilcorp Energy I, L.P. and Anadarko US Offshore Corporation, on the docket as Item No. 13-1.

## 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 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

**WHEREAS**, a request was made for final approval of an Operating Agreement by and between the State Mineral and Energy Board and Hilcorp Energy I, L.P., to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 25% before payout, increasing to 25.5% after payout, in and to the operating tract, covering a portion of former State Lease No. 20563, said operating tract containing 710.2 acres, more or less, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 13-3;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Operating Agreement by and between the State Mineral and Energy Board and Hilcorp Energy I, L.P., on the docket as Item No. 13-3.

## 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 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

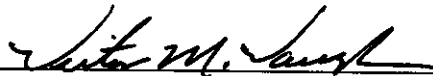
**WHEREAS**, a request was made by Staff for the Mineral Board to ratify changing the primary terms of State Lease Nos. 21078 and 21079, which were bid and inadvertently accepted as inland tracts with five (5) year primary terms, to the normal three (3) year primary terms awarded to inland tracts according to Board policy and that the acceptance of the original bids containing the five (5) year primary term language be rescinded only as to the five (5) year primary term language;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval to ratify changing the primary terms of State Lease Nos. 21078 and 21079 to three (3) year primary terms and rescind the acceptance of the original bids containing the five (5) year primary term language as to the five (5) year primary term.

## 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 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD





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

**DOCKET REVIEW COMMITTEE REPORT**

The Docket Review Committee convened at 10:24 a.m. on Wednesday, January 9, 2013. Board Members present were Mr. Robert D. Harper, DNR Undersecretary, Mr. W. Paul Segura, Jr., Ms. Helen G. Smith, Mr. Thomas L. Arnold, Jr., Mr. Emile Cordaro, Mr. Darryl D. Smith and Chip Kline (sitting in for Garret Graves, Governor Jindal's designee to the State Mineral and Energy Board).

The Committee made the following recommendations:

Approve all Assignments on pages 2 through 10; Nos. 7, 15, 16, 17, 18, 25, 26, 28, 29 and 30 on pages 4, 6, 7, 9, and 10 would be deferred, Nos. 24 and 27 on page 9 would be approved subject to the approval of the Governor of Louisiana;

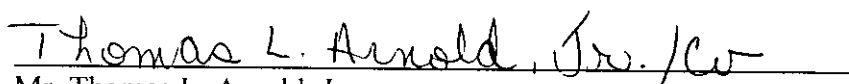
Approve the following item upon recommendation of the Legal and Title Controversy Committee: Docket Item No. 13-01 and 13-03 on page 12;

Approve Docket Item Nos. 13-02 on page 12.

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

There being no further business to come before the committee, upon motion of Mr. Segura, and seconded by Ms. Smith, the committee voted unanimously to adjourn the meeting at 10:26 a.m.

Respectfully submitted,

  
Mr. Thomas L. Arnold, Jr.  
Docket Review Committee

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

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the January 9, 2013 Meeting be approved, said instrument being an Assignment from Delta Lands Exploration to Emu Exploration, LLC, of all of Assignor's right, title and interest in and to State Lease No. 20822, Pointe Coupee and St. Landry Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9<sup>th</sup> day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the January 9, 2013 Meeting be approved, said instrument being an Assignment from Donegal Energy, LLC to Clayton Williams Energy, Inc., of all of Assignor's right, title and interest in and to Operating Agreement "A0321", Jefferson Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to that portion of the lands covered by Operating Agreement "A0321" that are located within the geographical confines of the 9400-Big T RB SUA Unit, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9<sup>th</sup> day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the January 9, 2013 Meeting be approved, said instrument being an Assignment from Sweetwater Management Company and Gene Powell to Yuma Exploration and Production Company, Inc., of all of Assignor's right, title and interest in and to State Lease No. 17451, St. Bernard Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9<sup>th</sup> day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the January 9, 2013 Meeting be approved, said instrument being a Merger whereby Ellora Land Holdings, L.P. is merging with and into Ellora Energy Inc., under the name of Ellora Energy Inc., affecting State Lease Nos. 17329 and 18183, Sabine Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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


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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the January 9, 2013 Meeting be approved, said instrument being an Assignment from Endeavour Operating Corporation to J-W Operating Company, of all of Assignor's right, title and interest in and to State Lease No. 17128, DeSoto and Red River Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

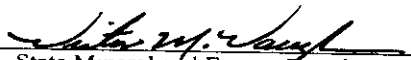
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the January 9, 2013 Meeting be approved, said instrument being an Assignment from Endeavour Operating Corporation to J-W Operating Company, of all of Assignor's right, title and interest in and to State Lease No 17366, Red River Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 7 from the January 9, 2013, Meeting be deferred, said instrument being an Assignment from Greenbriar Energy LP IV to CP Energy, Inc., of all of Assignor's right, title and interest in and to State Lease No. 2669, Acadia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### 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 9th day of January, 2013, 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.

  
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State Mineral and Energy Board



# RESOLUTION

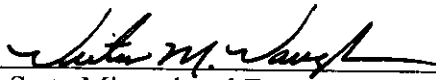
## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 8 from the January 9, 2013, Meeting be approved, said instrument being a Correction of Resolution No. 24 from the December 14, 2011 Meeting being a Judgment of Possession of the Succession of Alice Ward Fowler, whereas as Operating Agreement "A0135" was omitted from said resolution and is hereby being added, affecting State Lease No. 13582 and Operating Agreement "A0135", Lincoln Parish, Louisiana

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

# RESOLUTION

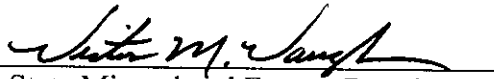
## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 9 from the January 9, 2013, Meeting be approved, said instrument being a Correction of Resolution No. 25 from the December 14, 2011 Meeting being a Judgment of Possession of the Succession of Joseph L. Hargrove, whereas Operating Agreement "A0135" was omitted from said resolution and is hereby being added, affecting State Lease No. 13582 and Operating Agreement "A0135", Lincoln Parish, Louisiana.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2013, 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.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10 from the January 9, 2013, Meeting be deferred, said instrument being a Correction of Resolution No. 26 from the December 14, 2011 Meeting, being a Judgment of Possession of the Succession of Martha Jean Hargrove Glassell, whereas Operating Agreement "A0135" was omitted from said resolution and is hereby being added, affecting State Lease No. 13582 and Operating Agreement "A0135", Lincoln Parish, Louisiana.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2013, 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.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11 from the January 9, 2013 Meeting be approved, said instrument being an Assignment from Aspect Resources, LLC, of all of Assignor's right, title and interest to the following in the proportions set out below:

Aspect Energy, LLC	50%
Noble Energy, Inc.	50%

in and to State Lease No. 18529, Calcasieu Parish, Louisiana, with further particulars being stipulated in the instrument.

Aspect 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12 from the January 9, 2013 Meeting be approved, said instrument being an Assignment from Ellora Energy Inc. to EOG Resources, Inc., an undivided 70% interest in and to State Lease Nos. 17329 and 18183, Sabine Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** the leases cover those subsurface depths located below the stratigraphic equivalent of the base of the James Lime formation as encountered at a subsurface depth of 6,202' in the induction log for the Moore #1 well located in Section 10, T9N, R14W, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13 from the January 9, 2013 Meeting be approved, said instrument being a Change of Name whereby LLOG Exploration Offshore, Inc. is changing its name to LLOG Exploration Offshore, L.L.C., affecting State Lease No. 2326, Plaquemines and St. Bernard Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 14 from the January 9, 2013 Meeting be approved, said instrument an Assignment from LLOG Exploration Offshore, L.L.C. to LLOG Exploration Company, L.L.C., of all of Assignor's right, title and interest in and to State Lease No. 2326, Plaquemines and St. Bernard Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 15 from the January 9, 2013, Meeting be deferred, said instrument being an Assignment from Forest Oil Corporation to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease No. 2655 and Operating Agreement "A0310", Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### 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 9th day of January, 2013, 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.

  
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State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

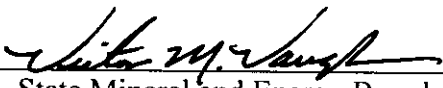
On motion of Ms. Smith, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16 from the January 9, 2013, Meeting be deferred, said instrument being an Assignment from Forest Oil Corporation to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease Nos. 3035, 14374 and 14534, Jefferson and Plaquemines Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

### 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 9th day of January, 2013, 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.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

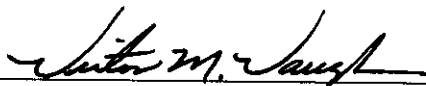
On motion of Ms. Smith, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17 from the January 9, 2013, Meeting be deferred, said instrument being an Assignment from Forest Oil Corporation to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease Nos. 19742, 19743 and Operating Agreements "A0295" and "A0298", Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### 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 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

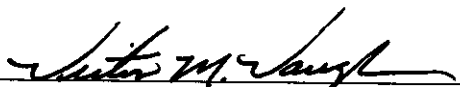
On motion of Ms. Smith, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18 from the January 9, 2013, Meeting be deferred, said instrument being an Assignment from Forest Oil Corporation to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Leas Nos. 540, 1755, 11151 and 20366, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### 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 9th day of January, 2013, 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.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 19 from the January 9, 2013 Meeting be approved, said instrument being a Dissolution of Holloway Energy, Inc., whereas said Corporation is hereby being dissolved and all ownership is transferred to the sole shareholder, Perry G. Holloway, affecting State Lease No. 10575, Caldwell Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 20 from the January 9, 2013 Meeting be approved, said instrument being an Assignment from Perry G. Holloway and JoAnn C. Holloway, husband and wife to Holloway Energy, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos 6629, 6760, 10575 and 13920, Caddo, Caldwell and DeSoto Parishes, Louisiana, with further particulars being stipulated in the instrument.

Holloway 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9<sup>th</sup> day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

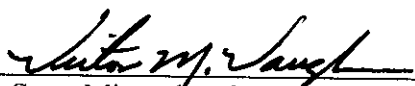
On motion of Ms. Smith, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 21 from the January 9, 2013, Meeting be deferred, said instrument being a Sublease from J-W Operating Company to Kerr-McGee Oil & Gas Onshore LP, of all of Assignor's right, title and interest in and to State Lease Nos. 6931, 10965, 16034, 16035, 16036, 16305, 16420, 16531, 17640, 17946 and 18181, Bienville, Bossier and Caddo Parishes, Louisiana, **INSOFAR AND ONLY INSOFAR AS** State Lease Nos. 6931, 10965, 16034, 16035, 16036, 16305, 16420, 16531, 17640 and 18181 cover all subsurface depths below the top of the Haynesville Formation at the stratigraphic equivalent of the depth of 10,670', **AND INSOFAR AND ONLY INSOFAR AS** State Lease No. 17946 covers all subsurface depths below the top of the Haynesville Zone, Reservoir A at the stratigraphic equivalent of the depth of 9,650', with further particulars being stipulated in the instrument.

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

### 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 9th day of January, 2013, 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.

  
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State Mineral and Energy Board

# RESOLUTION

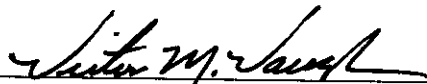
## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 22 from the January 9, 2013, Meeting be approved, said instrument being a Correction of Resolution No. 11-49 from the December 14, 2011, being a Second Amendment to that certain Unitization Agreement, effective May 14, 2008, by and between the State Mineral and Energy Board, Bamboo Investments, LLC, et al, whereas State Lease No. 19192 was omitted from said resolution and is hereby being added **AND** State Lease No. 19292 was incorrectly added to said resolution and is hereby being deleted, affecting State Lease Nos. 18423, 18521, 18524, 19031, 19190, 19192, 19292 and 20473, Cameron Parish, Louisiana.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2013, 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.



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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 23 from the January 9, 2013 Meeting be approved, said instrument being an Assignment and Correction of Assignment from Clovelly Oil Co. LLC to Hilcorp Energy I, LP, of all of Assignor's right, title and interest in and to State Lease Nos. 19978, 19979 and 20563, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

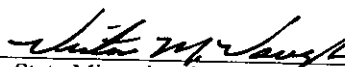
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9<sup>th</sup> day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 24 from the January 9, 2013 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from Chevron U.S.A. Inc. to McMoRan Oil & Gas LLC, an undivided 31.51562% of 8/8ths interest in and to a portion of State Lease No. 340, Mound Point Field, Iberia Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS THE** Burton Successors Subleases are applicable to those lands, as further described in Exhibit "A" and "A-1", with further particulars being stipulated in the instrument.

McMoRan Oil & 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

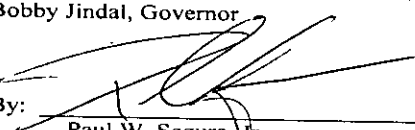
### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9<sup>th</sup> day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

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

By:

  
Paul W. Segura, Jr.  
Chairman, State Mineral Board

# RESOLUTION

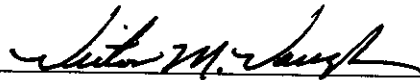
## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 25 from the January 9, 2013, Meeting be deferred, said instrument being a Judgment of Possession of the Succession of Ray Allen Barlow, whereas Janet Aimer Barlow is hereby being recognized as surviving spouse and is named trustee of the Barlow Family Trust and she is hereby being sent into possession of all of the property belonging to Ray Allen Barlow at the time of his death, affecting State Lease No. 2383, Jefferson and Lafourche Parishes, 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 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

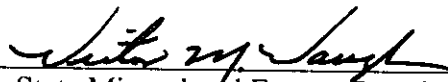
On motion of Ms. Smith, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 26 from the January 9, 2013, Meeting be deferred, said instrument being an Assignment from Janet Aimer Barlow, widow of Ray A. Barlow to Shoreline Southeast LLC, of all of Assignor's right, title and interest in and to State Lease No. 2383, Jefferson and Lafourche Parishes, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to 400 acres of land, more or less, as described or depicted on plat of the 10500' RA SUA and plat of the 9600' RA SUA, with further particulars being stipulated in the instrument.

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

### 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 9th day of January, 2013, 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.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 27 from the January 9, 2013 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from W.L.E., Inc. to ORB Exploration, L.L.C., of all of Assignor's right, title and interest in and to State Lease No. 293, Iberia and St. Martin Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

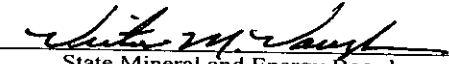
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

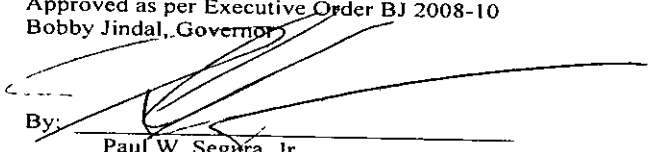
BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9<sup>th</sup> day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

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

By:   
Paul W. Segura, Jr.  
Chairman, State Mineral Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

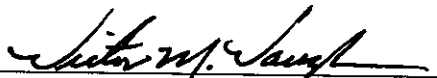
On motion of Ms. Smith, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 28 from the January 9, 2013, Meeting be deferred, said instrument being an Assignment from Addison Oil, LLC to Silver Oak Energy Partners, LLC, of all of Assignor's right, title and interest in and to State Lease No. 2048, Beauregard Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### 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 9th day of January, 2013, 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.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

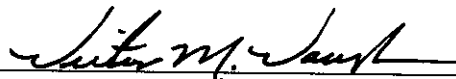
On motion of Ms. Smith, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 29 from the January 9, 2013, Meeting be deferred, said instrument being an Assignment from Forest Oil Corporation to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease No. 1691, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### 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 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

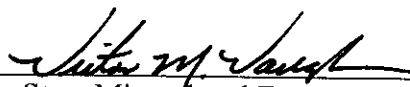
On motion of Ms. Smith, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 30 from the January 9, 2013, Meeting be deferred, said instrument being a Sublease from Kerr-McGee Oil & Gas Onshore LP to J-W Operating Company, of all of Assignor's right, title and interest in and to State Lease Nos. 6931, 10965, 16034, 16035, 16036, 16305, 16420, 16531, 17640, 17946 and 18181, Bienville, Bossier and Caddo Parishes, Louisiana, **INSOFAR AND ONLY INSOFAR AS** State Lease Nos. 6931, 10965, 16034, 16035, 16036, 16305, 16420, 16531, 17640 and 18181 cover all subsurface depths above the top of the Haynesville Formation at the stratigraphic equivalent of the depth of 10,670', **AND INSOFAR AND ONLY INSOFAR AS** State Lease No. 17946 covers all subsurface depths above the top of the Haynesville Zone, Reservoir A at the stratigraphic equivalent of the depth of 9,650', with further particulars being stipulated in the instrument.

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

### 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 9th day of January, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

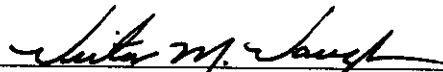
On motion of Ms. Smith, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13-01 from the January 9, 2013, Meeting be approved, said instrument being a Lease Amendment by and between the State of Louisiana, through the State Mineral and Energy Board, Hilcorp Energy I, L.P. and Anadarko US Offshore Corporation, whereas said parties desire to amend said leases to include a Force Majeure Provision and other required clauses, affecting State Lease No. 1170, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the instrument by signing said instrument for the Board.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2013 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.

  
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State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13-02 from the January 9, 2013, Meeting be approved, said instrument being A Unitization Agreement presented by Hilcorp Energy I, L.P., to create a 310.55 acre unit, more or less, identified as the “**Voluntary Unit “A”**”, with 310.55 acres being attributable to State Lease No. 20563, Four League Bay Field, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the instrument by signing said instrument for the Board.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2013 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.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

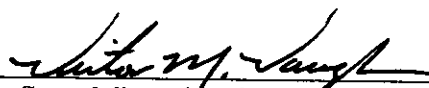
On motion of Ms. Smith, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13-03 from the January 9, 2013, Meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board and Hilcorp Energy I, L.P., to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 25% before payout, increasing to 25.5% after payout, in and to the operating tract, covering a portion of former State Lease No. 20563, said operating tract containing 710.2 acres, more or less, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the instrument by signing said instrument for the Board.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2013 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



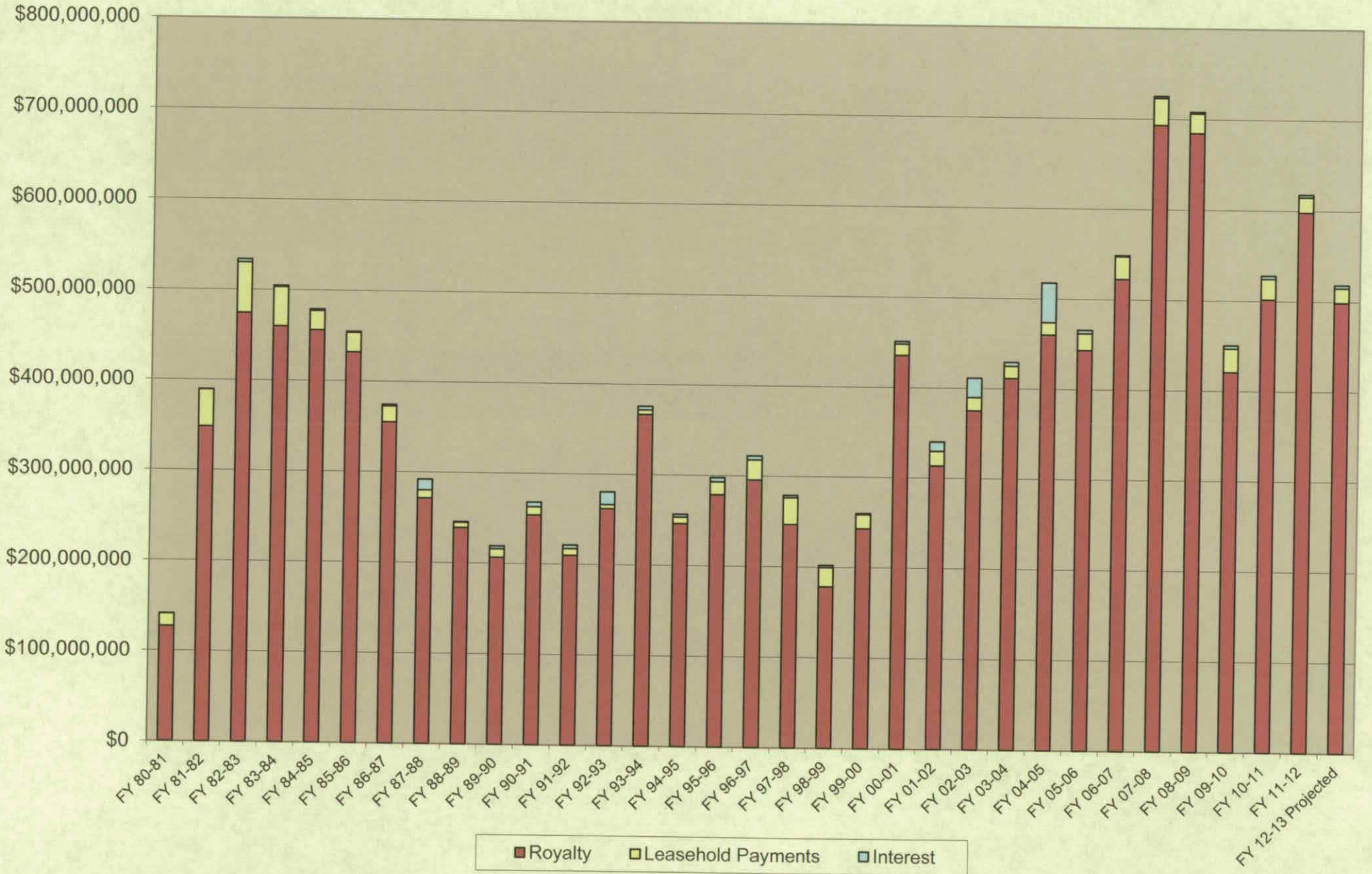
State Mineral and Energy Board



# Office of Mineral Resources Mineral and Energy Board Meeting

January 9, 2013

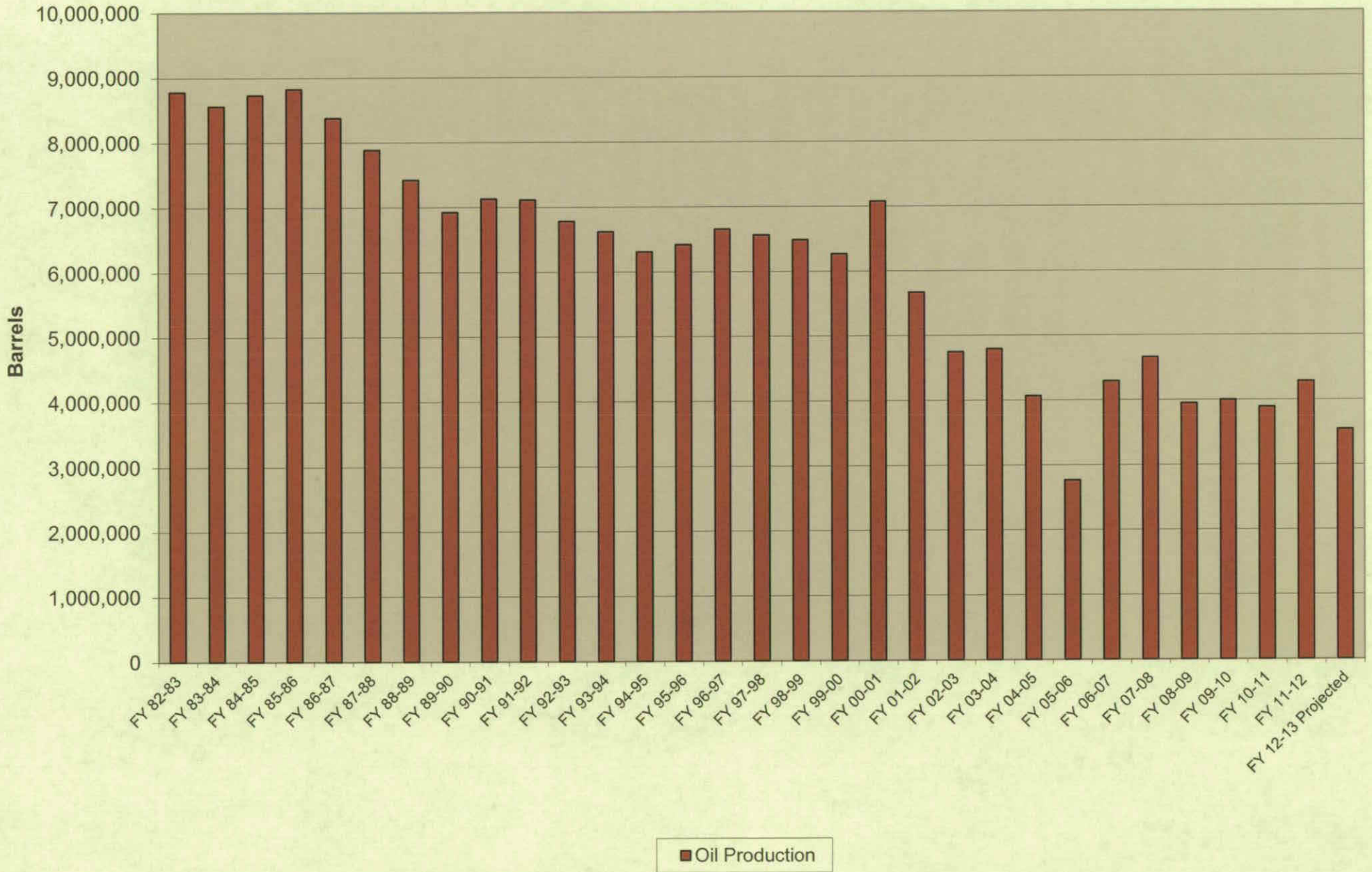
# Historical Cash Receipts



## Historical Cash Receipts

	<u>Bonus</u>	<u>Royalty</u>	<u>Leasehold Payments</u>	<u>Interest</u>	<u>Total</u>	<u>Monthly Average</u>
FY 80-81	\$198,104,745	\$126,962,938	\$13,726,070	\$38,009	\$338,831,763	\$28,235,980
FY 81-82	\$131,117,077	\$348,027,422	\$40,948,515	\$265,203	\$520,358,217	\$43,363,185
FY 82-83	\$125,077,331	\$474,263,313	\$55,641,805	\$3,391,727	\$658,374,176	\$54,864,515
FY 83-84	\$44,758,460	\$459,698,249	\$43,255,022	\$1,524,256	\$549,235,986	\$45,769,665
FY 84-85	\$55,880,090	\$455,791,830	\$21,309,253	\$1,763,379	\$534,744,551	\$44,562,046
FY 85-86	\$61,170,201	\$431,815,874	\$21,511,753	\$1,113,371	\$515,611,199	\$42,967,600
FY 86-87	\$25,942,570	\$354,879,094	\$17,665,672	\$1,606,832	\$400,094,168	\$33,341,181
FY 87-88	\$12,353,802	\$271,257,912	\$8,929,753	\$11,979,478	\$304,520,945	\$25,376,745
FY 88-89	\$28,745,161	\$239,046,099	\$5,812,014	\$843,904	\$274,447,179	\$22,870,598
FY 89-90	\$14,566,153	\$206,720,056	\$9,269,143	\$3,222,195	\$233,777,547	\$19,481,462
FY 90-91	\$11,165,526	\$253,746,520	\$9,211,891	\$5,203,730	\$279,327,667	\$23,277,306
FY 91-92	\$6,434,397	\$209,901,054	\$7,311,704	\$3,921,211	\$227,568,366	\$18,964,030
FY 92-93	\$8,440,252	\$261,813,228	\$4,740,303	\$13,900,890	\$288,894,674	\$24,074,556
FY 93-94	\$12,717,182	\$366,476,927	\$4,991,838	\$4,217,741	\$388,403,688	\$32,366,974
FY 94-95	\$24,823,265	\$246,335,063	\$7,203,636	\$3,218,058	\$281,580,022	\$23,465,002
FY 95-96	\$32,593,416	\$278,760,461	\$14,298,740	\$4,561,045	\$330,213,662	\$27,517,805
FY 96-97	\$53,288,169	\$295,576,020	\$22,314,560	\$4,249,293	\$375,428,041	\$31,285,670
FY 97-98	\$50,493,823	\$246,741,067	\$29,645,527	\$2,740,889	\$329,621,306	\$27,468,442
FY 98-99	\$19,050,657	\$178,424,388	\$21,074,412	\$2,531,361	\$221,080,819	\$18,423,402
FY 99-00	\$18,569,755	\$242,898,371	\$15,915,901	\$1,091,752	\$278,475,778	\$23,206,315
FY 00-01	\$32,740,448	\$435,407,994	\$12,663,749	\$2,842,244	\$483,654,435	\$40,304,536
FY 01-02	\$23,694,681	\$313,406,688	\$16,272,288	\$10,490,957	\$363,864,614	\$30,322,051
FY 02-03	\$22,598,580	\$374,872,047	\$14,874,075	\$21,524,326	\$433,869,028	\$36,155,752
FY 03-04	\$25,978,167	\$411,350,277	\$13,474,503	\$4,304,885	\$455,107,832	\$37,925,653
FY 04-05	\$38,696,837	\$459,982,045	\$13,769,854	\$43,902,608	\$556,351,343	\$46,362,612
FY 05-06	\$37,995,175	\$443,298,720	\$18,494,328	\$3,910,046	\$503,698,269	\$41,974,856
FY 06-07	\$52,139,307	\$522,453,427	\$25,057,910	\$1,335,183	\$600,985,827	\$50,082,152
FY 07-08	\$61,175,021	\$693,034,893	\$29,820,735	\$2,322,081	\$786,352,730	\$65,529,394
FY 08-09	\$143,182,978	\$684,405,483	\$21,853,067	\$1,581,618	\$851,023,146	\$70,918,596
FY 09-10	\$29,151,741	\$420,718,802	\$26,049,542	\$3,612,904	\$479,532,989	\$39,961,082
FY 10-11	\$30,293,007	\$501,602,312	\$22,735,393	\$3,725,864	\$558,356,576	\$46,529,715
FY 11-12	\$28,328,115	\$598,011,946	\$16,850,804	\$2,921,848	\$646,112,713	\$53,842,726
FY 12-13 Projected	\$20,423,988	\$498,611,210	\$16,183,212	\$3,505,328	\$538,723,738	\$44,893,645
	\$1,481,690,076	\$12,306,291,729	\$622,876,973	\$177,364,215	\$14,588,222,993	
% of Total	11%	84%	4%	1%		

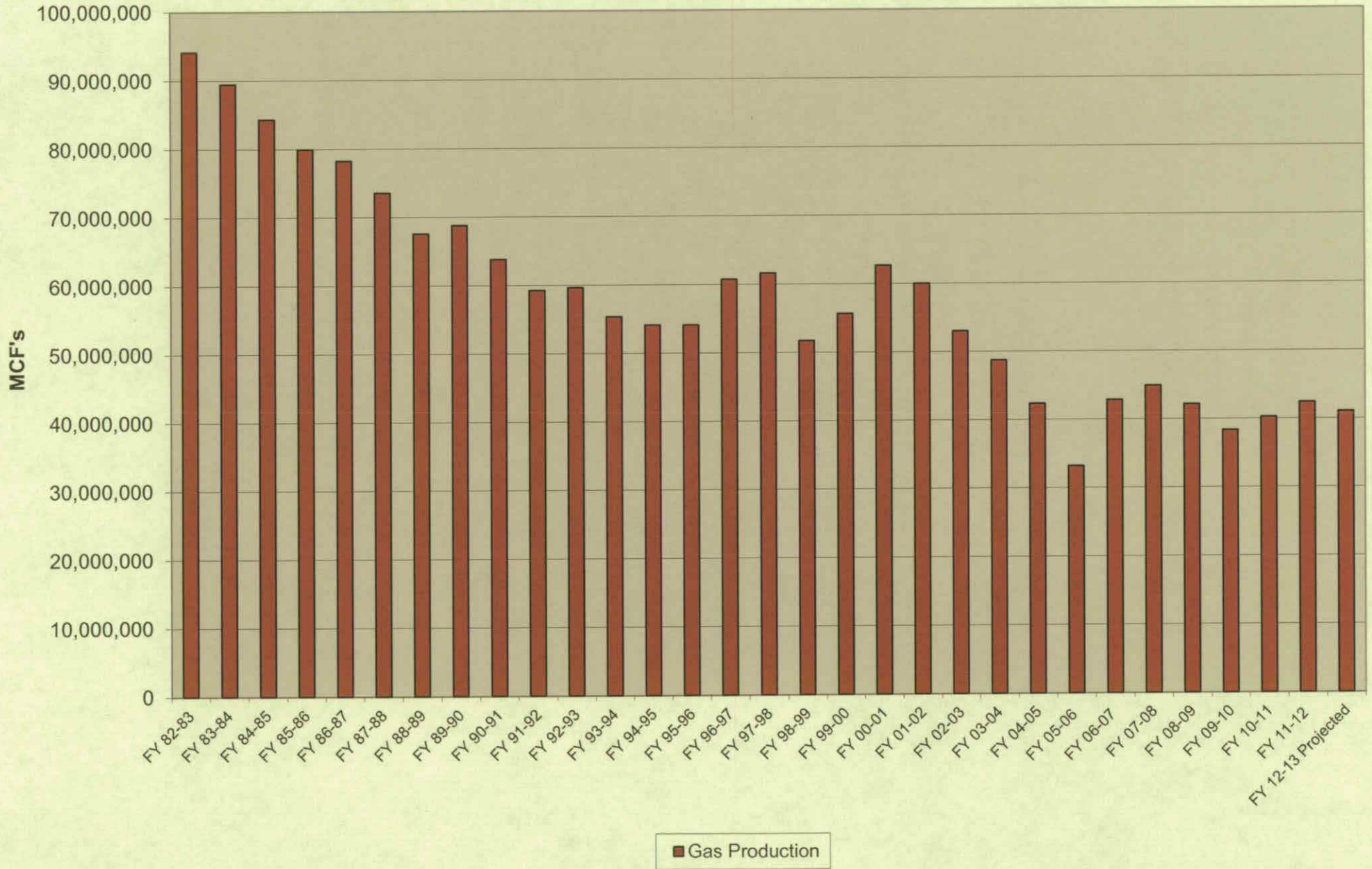
# Historical Oil Production



## Historical Oil Production

	<u>Barrels</u>
FY 82-83	8,781,026
FY 83-84	8,558,474
FY 84-85	8,730,682
FY 85-86	8,824,976
FY 86-87	8,377,006
FY 87-88	7,882,985
FY 88-89	7,423,374
FY 89-90	6,925,937
FY 90-91	7,131,084
FY 91-92	7,112,144
FY 92-93	6,782,359
FY 93-94	6,621,212
FY 94-95	6,309,036
FY 95-96	6,418,023
FY 96-97	6,653,990
FY 97-98	6,561,424
FY 98-99	6,485,581
FY 99-00	6,264,810
FY 00-01	7,073,883
FY 01-02	5,670,120
FY 02-03	4,747,875
FY 03-04	4,790,574
FY 04-05	4,065,744
FY 05-06	2,766,635
FY 06-07	4,291,644
FY 07-08	4,657,678
FY 08-09	3,947,729
FY 09-10	3,999,720
FY 10-11	3,889,706
FY 11-12	4,284,393
FY 12-13 Projected	3,544,779
	189,574,601
% of Total	2%

# Historical Gas Production





## Historical Gas Production

MCF's

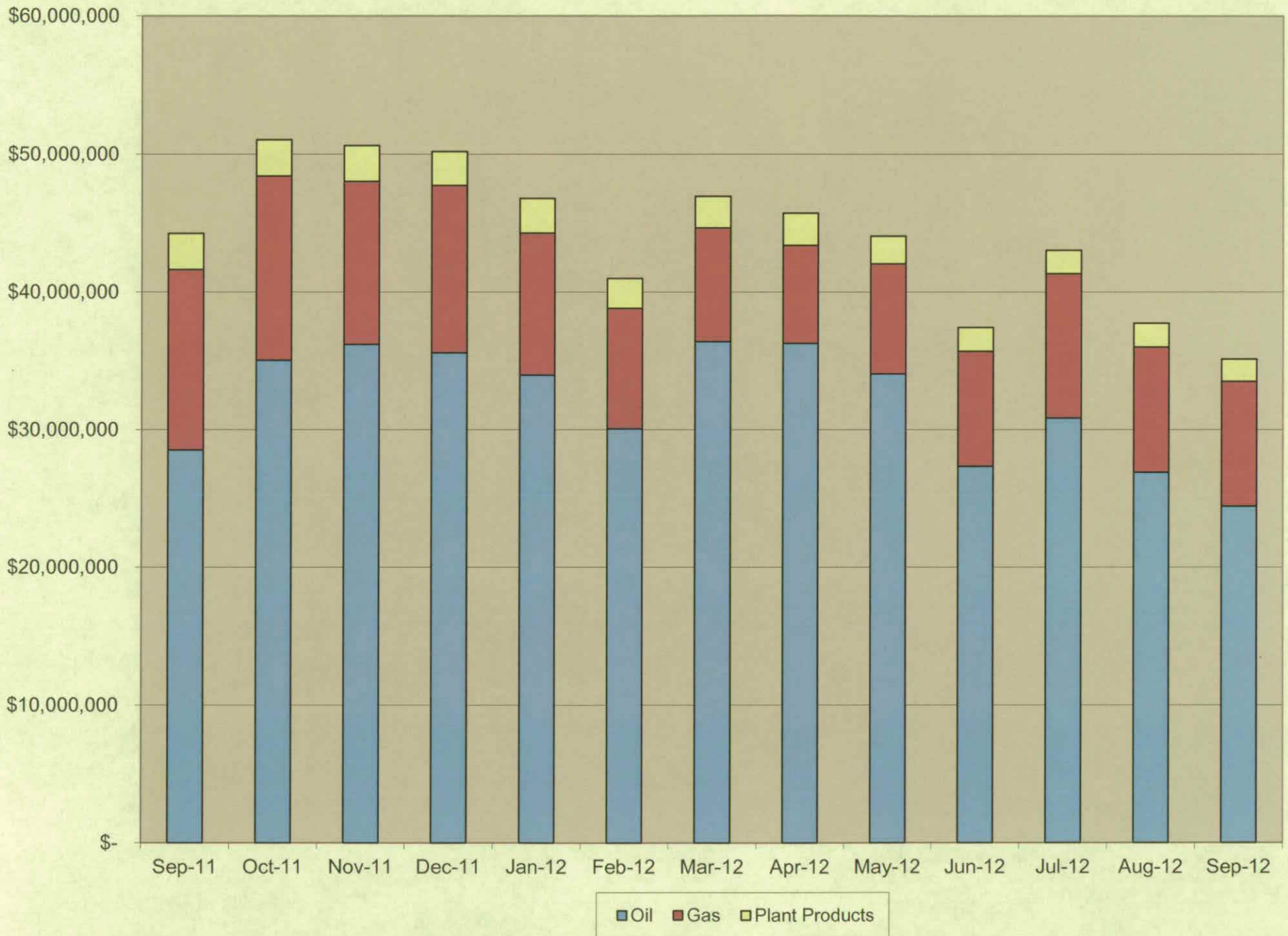
FY 82-83	94,125,368
FY 83-84	89,454,160
FY 84-85	84,301,670
FY 85-86	79,934,040
FY 86-87	78,234,139
FY 87-88	73,532,729
FY 88-89	67,566,288
FY 89-90	68,771,995
FY 90-91	63,785,078
FY 91-92	59,265,715
FY 92-93	59,631,387
FY 93-94	55,353,141
FY 94-95	54,136,350
FY 95-96	54,136,350
FY 96-97	60,755,685
FY 97-98	61,613,141
FY 98-99	51,729,194
FY 99-00	55,650,030
FY 00-01	62,648,531
FY 01-02	59,989,148
FY 02-03	53,028,702
FY 03-04	48,754,276
FY 04-05	42,369,541
FY 05-06	33,179,715
FY 06-07	42,851,389
FY 07-08	44,928,254
FY 08-09	42,166,160
FY 09-10	38,337,166
FY 10-11	40,239,881
FY 11-12	42,435,563
FY 12-13 Projected	41,067,039

1,803,971,824

% of Total

2%

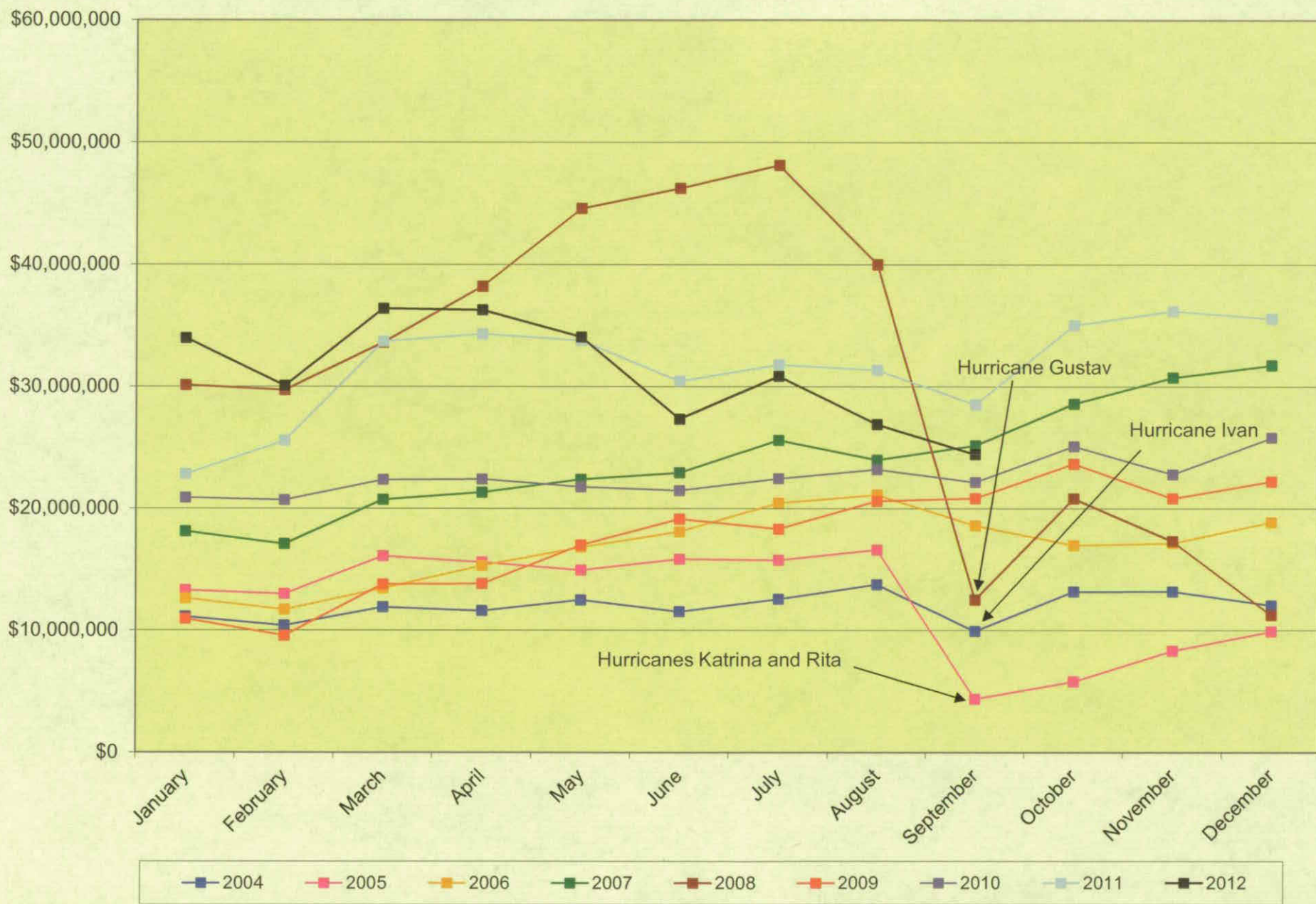
### Royalty Collections by Disposition Month



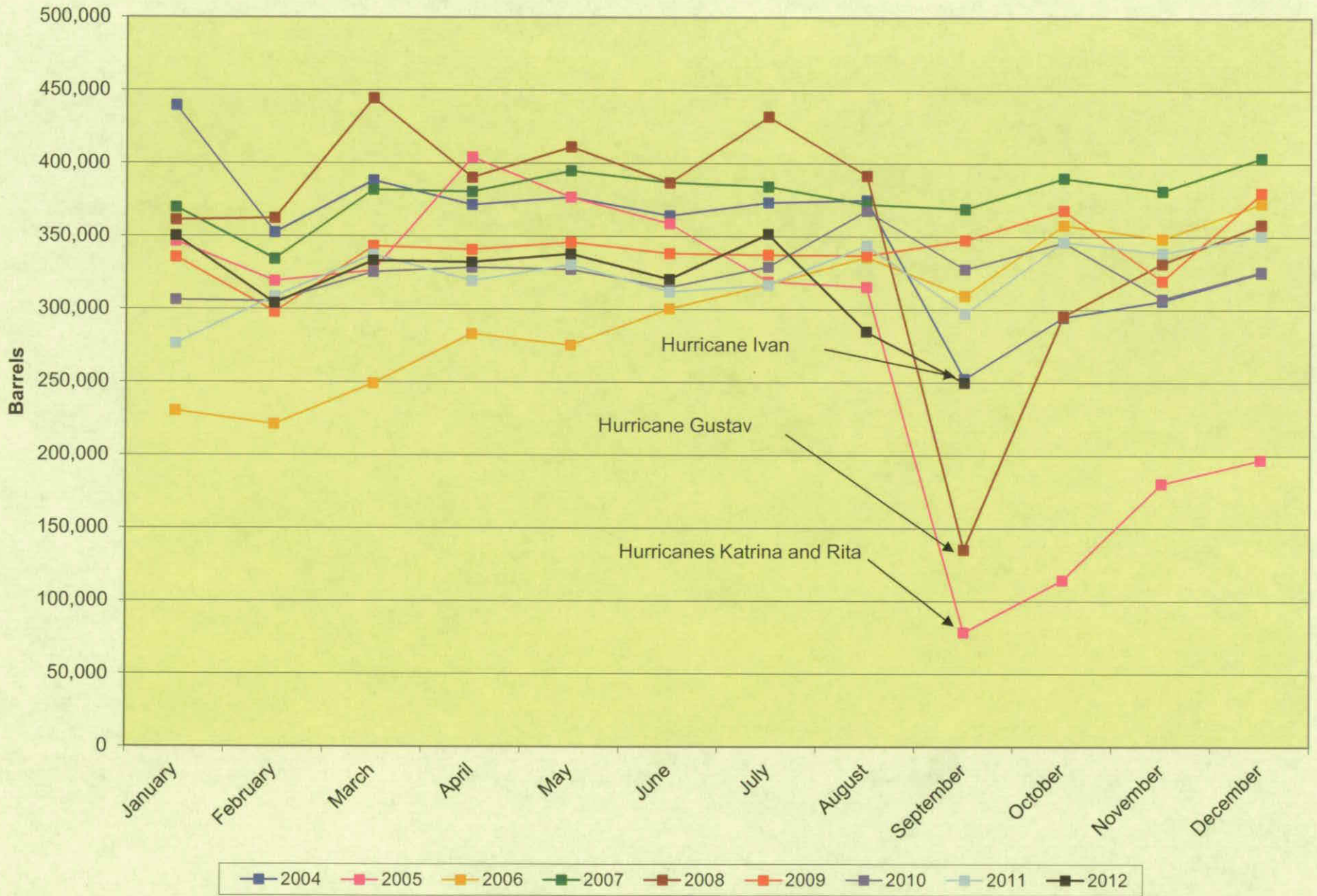
## Royalty Collections by Disposition Month

<u>Disposition Month</u>	<u>Oil</u>	<u>Gas</u>	<u>Plant Products</u>	<u>Total</u>
September 2011	28,529,813.25	13,090,286.68	2,625,462.70	44,245,562.63
October 2011	35,035,596.92	13,364,625.05	2,639,228.73	51,039,450.70
November 2011	36,188,815.69	11,831,113.34	2,601,457.96	50,621,386.99
December 2011	35,581,669.47	12,136,960.27	2,464,527.05	50,183,156.79
January 2012	33,969,609.09	10,298,094.45	2,512,135.03	46,779,838.57
February 2012	30,071,391.47	8,743,869.91	2,159,623.76	40,974,885.14
March 2012	36,395,601.28	8,257,699.54	2,292,801.42	46,946,102.24
April 2012	36,270,083.33	7,116,002.02	2,341,945.48	45,728,030.83
May 2012	34,064,590.34	7,976,313.47	2,006,523.56	44,047,427.37
June 2012	27,331,514.52	8,358,041.32	1,736,213.63	37,425,769.47
July 2012	30,849,857.39	10,475,317.11	1,705,175.53	43,030,350.03
August 2012	26,898,773.16	9,105,464.28	1,728,408.29	37,732,645.73
September 2012	24,439,463.13	9,071,100.48	1,617,538.24	35,128,101.85
<b>Total</b>	<b>\$ 415,626,779.04</b>	<b>\$ 129,824,887.92</b>	<b>\$ 28,431,041.38</b>	<b>\$ 573,882,708.34</b>
% of Total	72%	23%	5%	

### Oil Royalty by Disposition Month



### Oil Volume by Disposition Month

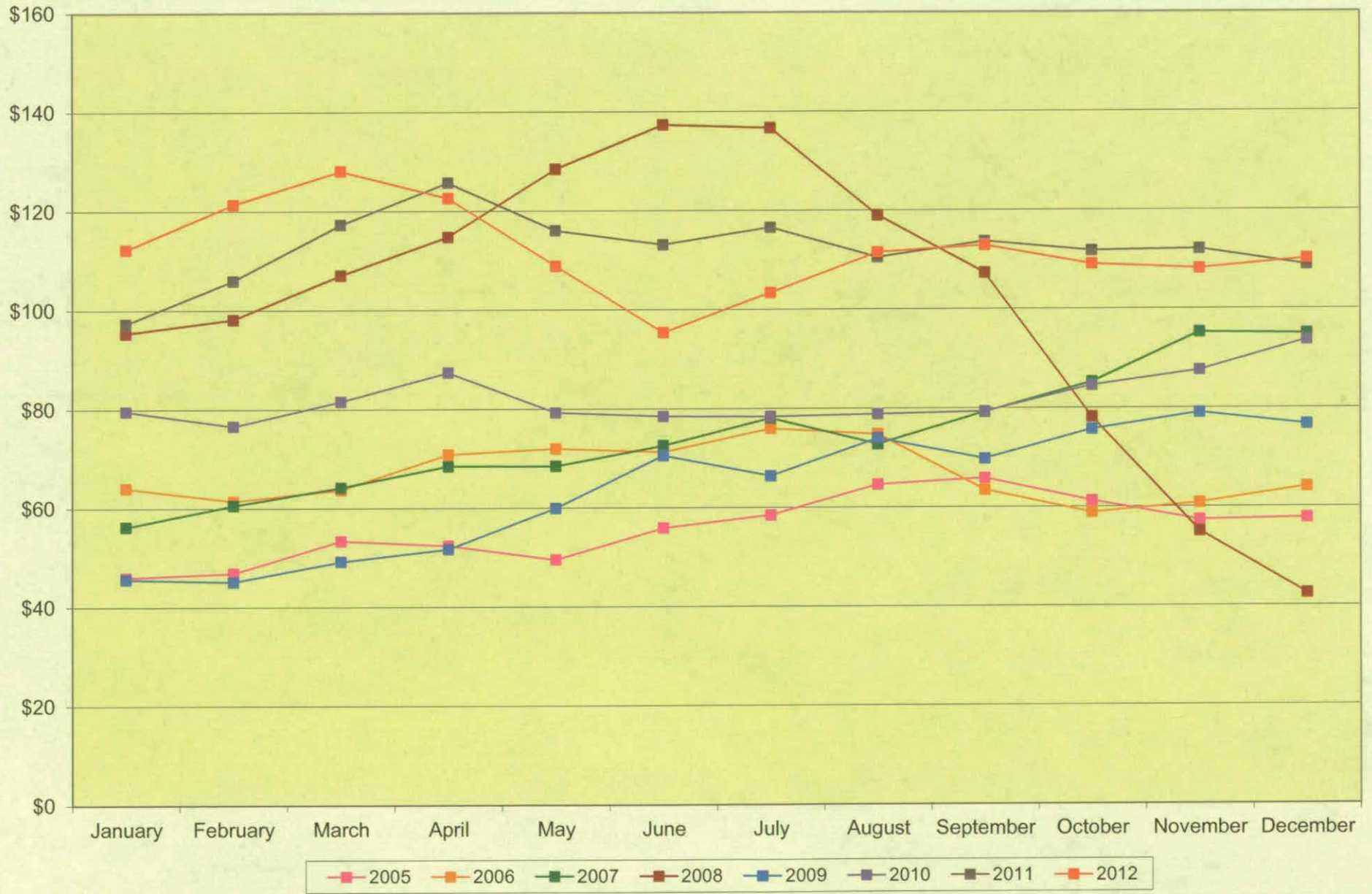


## Oil Volume by Disposition Month

Disposition Month	Barrels
January 2004	439,528 0600
February 2004	352,554 1807
March 2004	385,250 3056
April 2004	371,664 0467
May 2004	378,944 4191
June 2004	384,373 3908
July 2004	373,376 3670
August 2004	374,957 0454
September 2004	252,648 3464
October 2004	294,638 0875
November 2004	306,161 9020
December 2004	325,615 3498
January 2005	346,534 8170
February 2005	319,401 7647
March 2005	326,574 1954
April 2005	404,282 7275
May 2005	376,916 3110
June 2005	358,886 3852
July 2005	319,254 6372
August 2005	315,616 4399
September 2005	78,702 6983
October 2005	114,538 4508
November 2005	180,921 8969
December 2005	197,290 8761
January 2006	230,553 1412
February 2006	221,290 4591
March 2006	249,233 3520
April 2006	283,338 5046
May 2006	275,598 7558
June 2006	300,558 2834
July 2006	317,273 1720
August 2006	336,148 3010
September 2006	309,714 7966
October 2006	358,167 3469
November 2006	348,876 4583
December 2006	372,942 6979
January 2007	389,688 7391
February 2007	334,445 2821
March 2007	381,894 4336
April 2007	380,620 5660
May 2007	394,622 1387
June 2007	386,951 9410
July 2007	384,343 3655
August 2007	372,200 6844
September 2007	369,099 6361
October 2007	390,100 0706
November 2007	381,339 3224
December 2007	404,072 8738
January 2008	361,179 5574
February 2008	362,298 8717
March 2008	444,589 5828
April 2008	390,368 8131
May 2008	411,263 3489
June 2008	386,821 9964
July 2008	432,048 8540
August 2008	391,784 9250
September 2008	135,416 9230
October 2008	295,684 9290
November 2008	331,775 5033
December 2008	358,333 3403
January 2009	335,692 1257
February 2009	298,075 7164
March 2009	343,198 0678
April 2009	340,755 0469
May 2009	346,580 4234
June 2009	338,302 2275
July 2009	337,850 8439
August 2009	337,293 6488
September 2009	347,747 7687
October 2009	368,338 3455
November 2009	319,969 8474
December 2009	380,219 7383
January 2010	306,289 8084
February 2010	305,490 5119
March 2010	325,473 6524
April 2010	328,706 8069
May 2010	327,344 4560
June 2010	315,215 0278
July 2010	329,309 6284
August 2010	367,680 7718
September 2010	327,753 0450
October 2010	346,362 8058
November 2010	307,600 0639
December 2010	326,233 8881
January 2011	276,362 4784
February 2011	308,694 0303
March 2011	337,460 8363
April 2011	319,511 4630
May 2011	330,640 0927
June 2011	312,066 8097
July 2011	316,942 7764
August 2011	343,989 0626
September 2011	297,345 9935
October 2011	346,595 3168
November 2011	339,056 7481
December 2011	350,737 9206
January 2012	350,044 3494
February 2012	303,954 4868
March 2012	333,128 5530
April 2012	332,102 8132
May 2012	337,860 5628
June 2012	320,597 4815
July 2012	351,623 3047
August 2012	284,788 1921
September 2012	249,783 1407

### Oil Prices

Average of HLS Oil Spot at Empire Pla. Parish \$/bbl. and LLS Oil Spot at St. James Terminal \$/bbl.



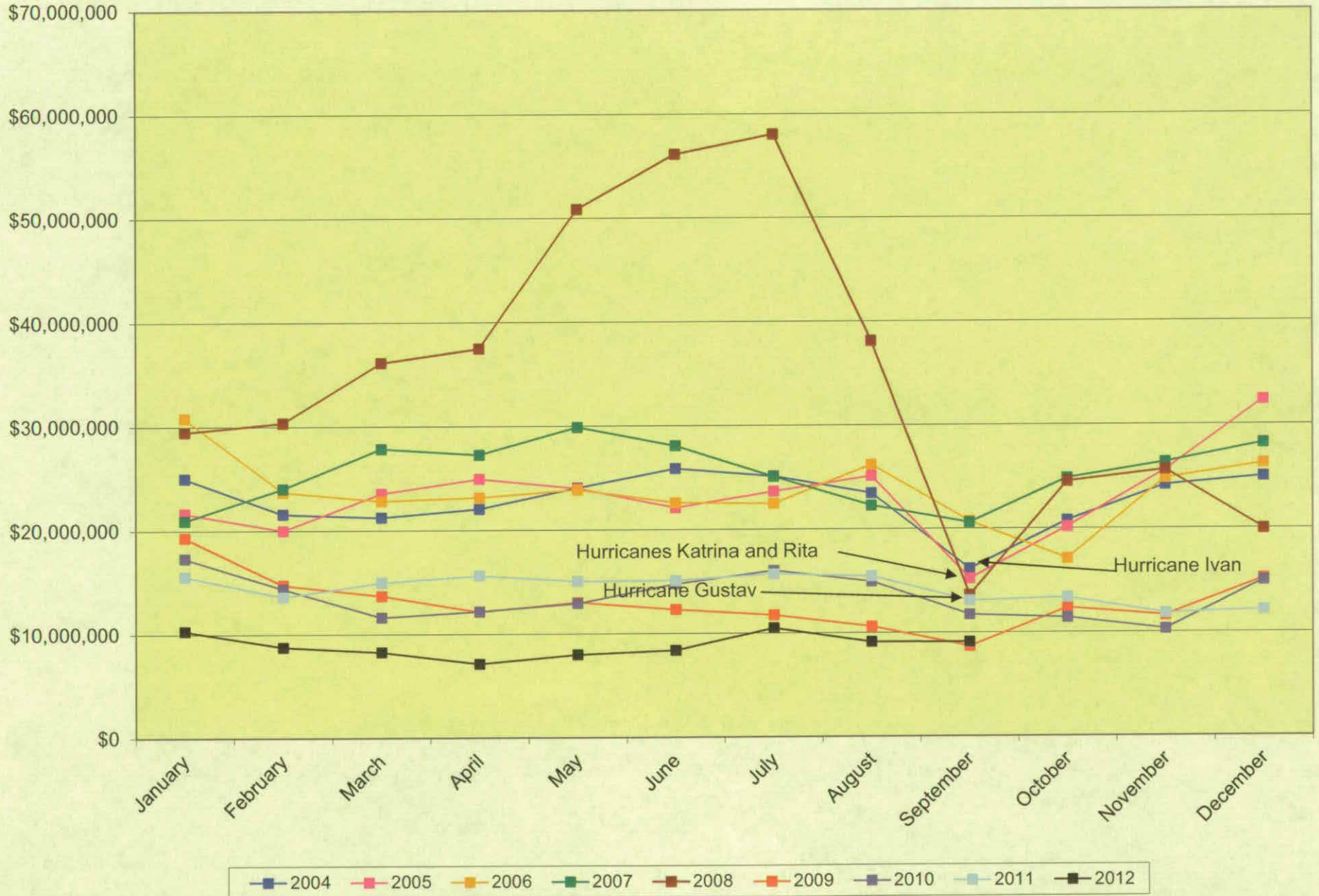
**Monthly Average Oil Prices**

Jan-04	\$34 86
Feb-04	\$34 05
Mar-04	\$36 80
Apr-04	\$35 80
May-04	\$39 28
Jun-04	\$37 15
Jul-04	\$40 24
Aug-04	\$44 32
Sep-04	\$45 81
Oct-04	\$53 46
Nov-04	\$47 33
Dec-04	\$42 28
Jan-05	\$46 02
Feb-05	\$46 94
Mar-05	\$53 42
Apr-05	\$52 46
May-05	\$49 50
Jun-05	\$55 94
Jul-05	\$58 53
Aug-05	\$64 67
Sep-05	\$65 93
Oct-05	\$61 29
Nov-05	\$57 41
Dec-05	\$57 81
Jan-06	\$64 11
Feb-06	\$61 49
Mar-06	\$63 76
Apr-06	\$70 92
May-06	\$72 06
Jun-06	\$71 31
Jul-06	\$76 04
Aug-06	\$74 85
Sep-06	\$63 52
Oct-06	\$58 93
Nov-06	\$60 85
Dec-06	\$64 12
Jan-07	\$56 29
Feb-07	\$61 27
Mar-07	\$64 22
Apr-07	\$68 51
May-07	\$68 48
Jun-07	\$72 80
Jul-07	\$78 08
Aug-07	\$72 81
Sep-07	\$79 26
Oct-07	\$85 27
Nov-07	\$95 28
Dec-07	\$95 04
Jan-08	\$96 38
Feb-08	\$98 17
Mar-08	\$107 05
Apr-08	\$114 80
May-08	\$128 47
Jun-08	\$137 37
Jul-08	\$136 70
Aug-08	\$119 00
Sep-08	\$107 35
Oct-08	\$79 86
Nov-08	\$55 08
Dec-08	\$42 51
Jan-09	\$45 67
Feb-09	\$45 18
Mar-09	\$49 26
Apr-09	\$51 75
May-09	\$59 98
Jun-09	\$70 59
Jul-09	\$66 43
Aug-09	\$74 01
Sep-09	\$69 83
Oct-09	\$75 74
Nov-09	\$79 08
Dec-09	\$78 71
Jan-10	\$79 65
Feb-10	\$76 64
Mar-10	\$81 61
Apr-10	\$87 44
May-10	\$79 32
Jun-10	\$78 50
Jul-10	\$78 43
Aug-10	\$78 88
Sep-10	\$79 35
Oct-10	\$84 80
Nov-10	\$87 63
Dec-10	\$93 74
Jan-11	\$97 26
Feb-11	\$105 96
Mar-11	\$117 25
Apr-11	\$125 72
May-11	\$116 01
Jun-11	\$113 12
Jul-11	\$116 56
Aug-11	\$110 49
Sep-11	\$113 69
Oct-11	\$111 75
Nov-11	\$112 07
Dec-11	\$108 85
Jan-12	\$112 30
Feb-12	\$121 41
Mar-12	\$128 12
Apr-12	\$122 67
May-12	\$108 92
Jun-12	\$96 40
Jul-12	\$103 45
Aug-12	\$111 56
Sep-12	\$112 96
Oct-12	109 14
Nov-12	108 21
Dec-12	110 17

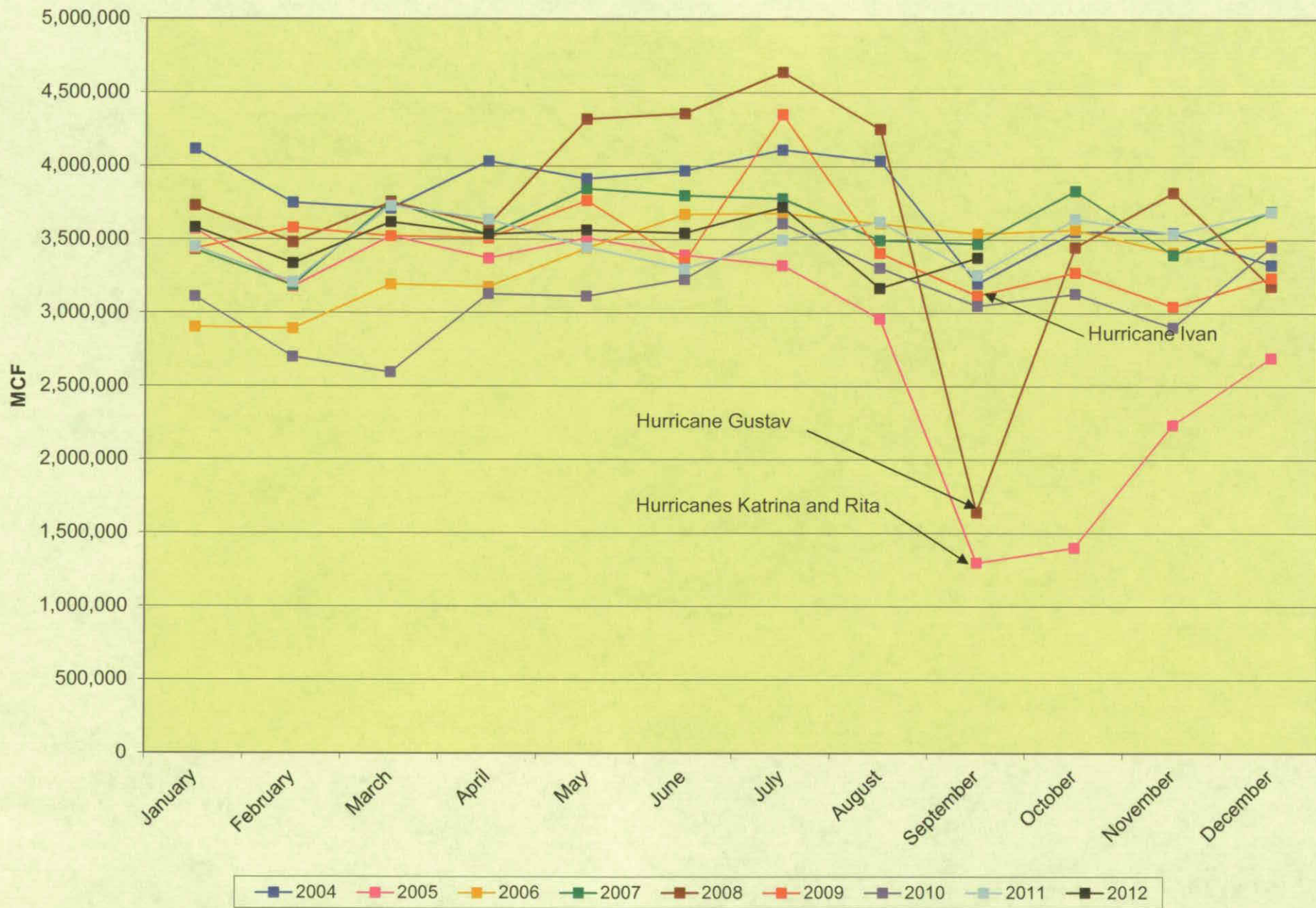
Source: Average of HLS Oil Spot @ Empire Plaq Parish \$/bbl and LLS Oil Spot @ St James Terminal \$/bbl



### Gas Royalty by Disposition Month



### Gas Volume by Disposition Month

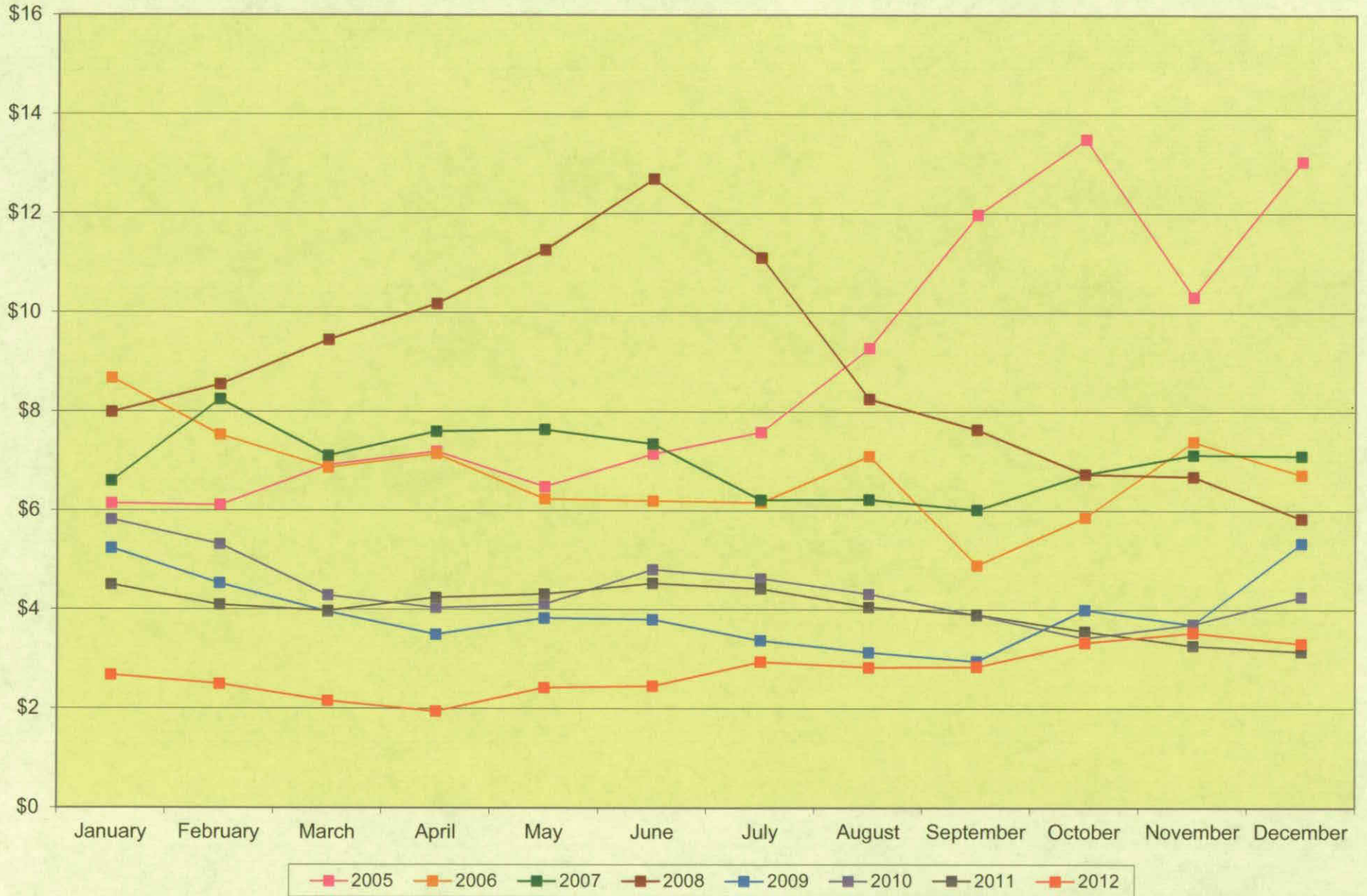


**Gas Volume by Disposition Month**

<u>Disposition Month</u>	<u>MCF</u>
January 2004	4,116,851 7031
February 2004	3,751,396 3749
March 2004	3,712,684 6945
April 2004	4,034,822 4874
May 2004	3,916,088 2692
June 2004	3,969,900 0143
July 2004	4,113,654 6443
August 2004	4,039,039 5326
September 2004	3,293,047 0172
October 2004	3,557,609 2440
November 2004	3,549,434 2038
December 2004	3,331,205 5308
January 2005	3,572,282 7624
February 2005	3,179,408 8827
March 2005	3,524,675 3742
April 2005	3,373,989 8785
May 2005	3,512,440 4707
June 2005	3,398,830 1710
July 2005	3,326,464 2787
August 2005	2,962,636 1525
September 2005	1,299,470 4761
October 2005	1,403,319 1284
November 2005	2,238,950 7428
December 2005	2,696,394 9614
January 2006	2,903,605 4539
February 2006	2,893,564 0591
March 2006	3,195,937 8564
April 2006	3,179,013 8634
May 2006	3,441,908 5053
June 2006	3,875,130 0272
July 2006	3,681,560 8937
August 2006	3,612,949 7915
September 2006	3,543,592 0727
October 2006	3,570,670 6822
November 2006	3,416,427 3444
December 2006	3,467,063 6852
January 2007	3,431,417 7115
February 2007	3,187,283 0760
March 2007	3,758,706 9103
April 2007	3,532,409 0063
May 2007	3,847,360 6544
June 2007	3,801,648 8530
July 2007	3,781,746 6914
August 2007	3,496,860 8515
September 2007	3,473,362 6860
October 2007	3,833,954 5812
November 2007	3,398,892 1836
December 2007	3,696,247 7050
January 2008	3,730,716 5949
February 2008	3,481,908 9951
March 2008	3,754,457 7083
April 2008	3,601,038 3554
May 2008	4,320,099 2011
June 2008	4,358,968 2793
July 2008	4,639,414 5827
August 2008	4,254,048 2048
September 2008	1,642,121 1777
October 2008	3,450,697 9705
November 2008	3,823,545 4159
December 2008	3,184,282 9858
January 2009	3,438,957 6090
February 2009	3,581,500 2743
March 2009	3,525,383 5234
April 2009	3,510,956 9453
May 2009	3,768,147 9644
June 2009	3,347,102 8759
July 2009	4,354,637 0127
August 2009	3,411,217 1592
September 2009	3,121,478 7057
October 2009	3,279,413 1813
November 2009	3,047,652 2726
December 2009	3,242,949 0703
January 2010	3,111,575 4066
February 2010	2,698,840 4164
March 2010	2,595,320 3700
April 2010	3,129,356 0301
May 2010	3,114,120 8088
June 2010	3,229,605 4480
July 2010	3,611,553 9672
August 2010	3,309,239 0975
September 2010	3,050,099 9189
October 2010	3,133,007 0776
November 2010	2,904,096 2769
December 2010	3,452,783 9186
January 2011	3,450,833 8124
February 2011	3,210,085 9440
March 2011	3,731,080 4757
April 2011	3,636,779 1728
May 2011	3,447,559 3765
June 2011	3,302,762 6990
July 2011	3,498,184 0593
August 2011	3,622,818 2247
September 2011	3,260,444 7570
October 2011	3,642,169 5337
November 2011	3,543,274 6421
December 2011	3,691,244 4846
January 2012	3,581,019 0197
February 2012	3,336,286 6178
March 2012	3,617,815 0238
April 2012	3,535,089 7862
May 2012	3,563,354 0219
June 2012	3,543,862 4198
July 2012	3,720,761 2850
August 2012	3,169,195 4516
September 2012	3,376,802 9721

### Natural Gas Prices

Daily Cash Gas Prices at Henry Hub \$/mmbtu.

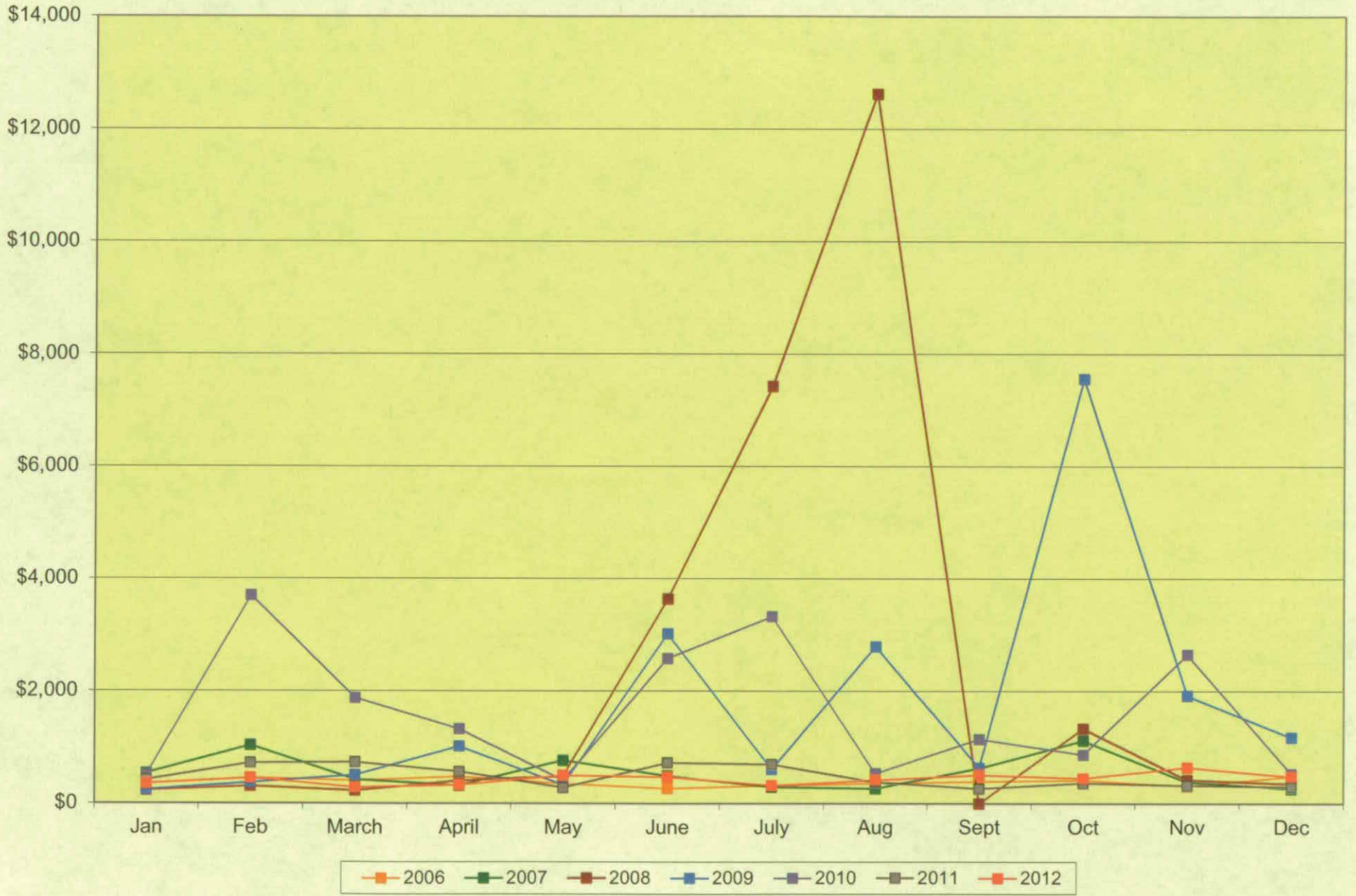


Monthly Average Gas Prices

Jan-04	\$6 1581
Feb-04	\$5 3982
Mar-04	\$5 3784
Apr-04	\$5 7004
May-04	\$6 3000
Jun-04	\$6 2916
Jul-04	\$5 9325
Aug-04	\$5 4506
Sep-04	\$5 0832
Oct-04	\$6 3362
Nov-04	\$6 1481
Dec-04	\$6 6166
Jan-05	\$6 1431
Feb-05	\$6 1124
Mar-05	\$6 9229
Apr-05	\$7 2004
May-05	\$6 4680
Jun-05	\$7 1507
Jul-05	\$7 5910
Aug-05	\$9 2947
Sep-05	\$11 9823
Oct-05	\$13 5015
Nov-05	\$10 3271
Dec-05	\$13 0519
Jan-06	\$8 6780
Feb-06	\$7 5332
Mar-06	\$6 8700
Apr-06	\$7 1500
May-06	\$6 2400
Jun-06	\$6 2000
Jul-06	\$6 1700
Aug-06	\$7 1100
Sep-06	\$4 9000
Oct-06	\$5 8700
Nov-06	\$7 4000
Dec-06	\$6 7300
Jan-07	\$6 6000
Feb-07	\$8 0100
Mar-07	\$7 1100
Apr-07	\$7 6100
May-07	\$7 6400
Jun-07	\$7 3500
Jul-07	\$6 2200
Aug-07	\$6 2300
Sep-07	\$6 0200
Oct-07	\$6 7400
Nov-07	\$7 1300
Dec-07	\$7 1100
Jan-08	\$7 8900
Feb-08	\$8 5500
Mar-08	\$9 4500
Apr-08	\$10 1800
May-08	\$11 2700
Jun-08	\$12 700
Jul-08	-\$11 110
Aug-08	\$8 260
Sep-08	\$7 640
Oct-08	\$6 740
Nov-08	\$6 690
Dec-08	\$5 840
Jan-09	\$5 240
Feb-09	\$4 530
Mar-09	\$3 960
Apr-09	\$3 500
May-09	\$3 830
Jun-09	\$3 800
Jul-09	\$3 380
Aug-09	\$3 140
Sep-09	\$2 960
Oct-09	\$4 000
Nov-09	\$3 700
Dec-09	\$5 340
Jan-10	\$5 820
Feb-10	\$5 320
Mar-10	\$4 290
Apr-10	\$4 040
May-10	\$4 110
Jun-10	\$4 810
Jul-10	\$4 630
Aug-10	\$4 320
Sep-10	\$3 890
Oct-10	\$3 430
Nov-10	\$3 710
Dec-10	\$4 260
Jan-11	\$4 500
Feb-11	\$4 090
Mar-11	\$3 970
Apr-11	\$4 240
May-11	\$4 310
Jun-11	\$4 530
Jul-11	\$4 420
Aug-11	\$4 050
Sep-11	\$3 900
Oct-11	\$3 560
Nov-11	\$3 270
Dec-11	\$3 150
Jan-12	\$2 680
Feb-12	\$2 500
Mar-12	\$2 160
Apr-12	\$1 950
May-12	\$2 430
Jun-12	\$2 460
Jul-12	\$2 950
Aug-12	\$2 840
Sep-12	\$2 850
Oct-12	\$3 340
Nov-12	\$3 540
Dec-12	\$3 320

Source Daily Cash Gas Prices @ Henry Hub \$/mmbtu

### Price Per Acre



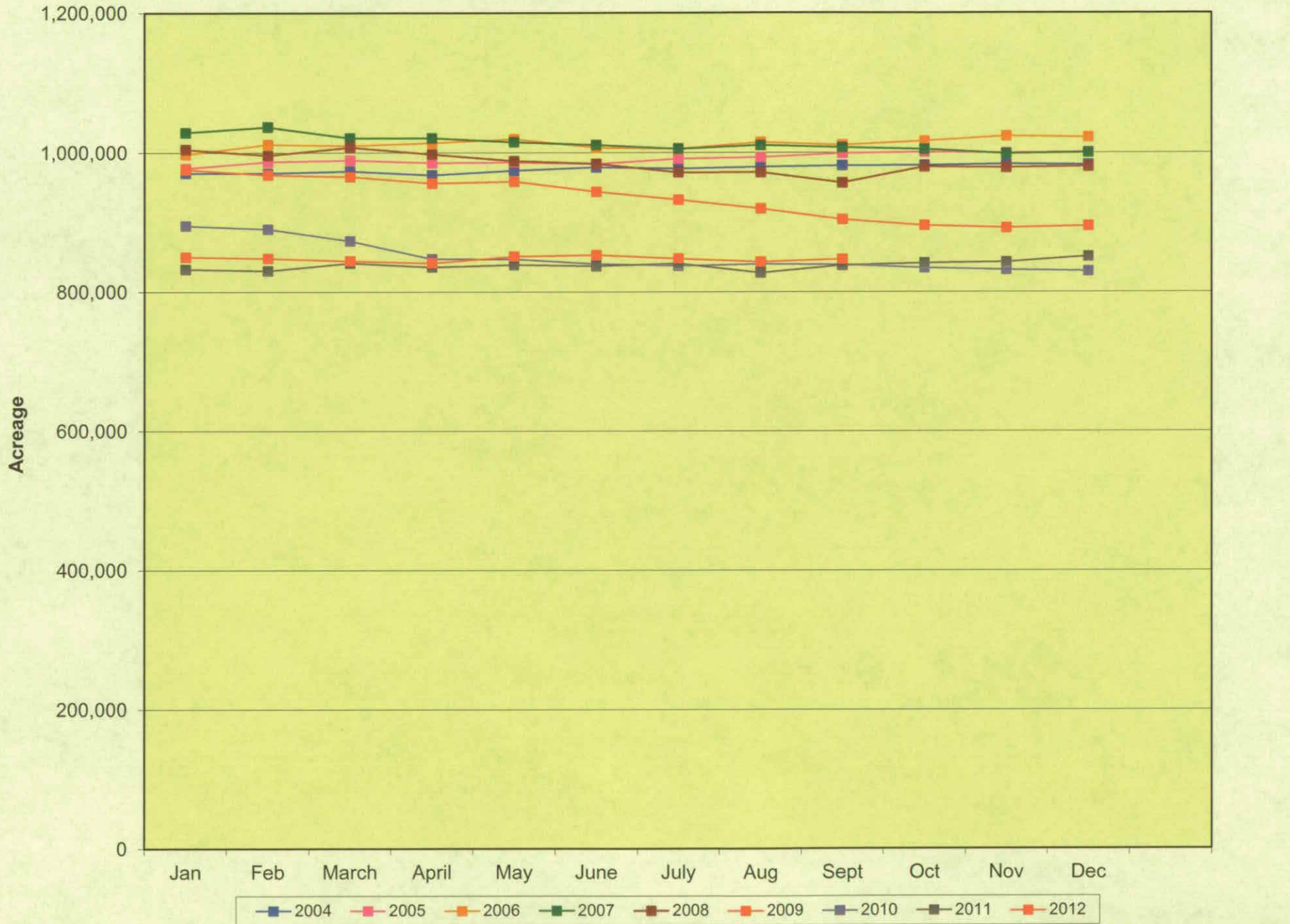
As of December 12, 2012 Lease Sale

Department of Natural Resources  
Office of Mineral Resources  
Lease Sale Statistics  
For Calendar Years 2006, 2007, 2008, 2009, 2010, 2011 and 2012

Month	No. of Tracts Nominated	No. of Acres Nominated	No. of Tracts with Bids	% of Nominated Tracts with Bids	No. of Leases Leased	No. of Acres Leased	Total Bonuses	Price Per Acre
January 2006	47	47,043,313	23	48.9%	26	4,329,743	\$1,537,320.39	\$355.06
February 2006	30	27,775,390	22	73.3%	21	4,893,650	\$2,259,041.24	\$461.63
March 2006	90	102,468,214	33	36.7%	35	11,677,774	\$4,813,881.28	\$412.23
April 2006	68	71,781,410	28	41.2%	30	6,467,852	\$3,141,523.23	\$485.71
May 2006	97	120,198,400	30	30.9%	31	16,817,780	\$6,025,369.95	\$358.27
June 2006	38	31,183,565	23	60.5%	21	3,267,685	\$890,923.62	\$272.65
July 2006	46	61,199,576	17	37.0%	19	4,912,022	\$1,590,293.21	\$323.76
August 2006	98	144,142,110	37	37.8%	47	11,769,250	\$4,274,006.81	\$363.15
September 2006	48	44,760,880	26	54.2%	23	5,029,740	\$2,004,961.50	\$398.62
October 2006	53	36,007,870	28	52.8%	28	4,383,700	\$1,846,724.83	\$421.27
November 2006	93	84,329,325	43	46.2%	38	16,457,630	\$5,058,312.37	\$307.35
December 2006	72	58,722,376	37	51.4%	42	4,490,056	\$2,214,236.41	\$493.14
January 2007	44	43,615,048	23	52.3%	22	8,504,439	\$4,569,069.37	\$537.26
February 2007	61	68,927,865	36	59.0%	39	10,701,885	\$11,078,923.37	\$1,035.23
March 2007	37	55,261,795	19	51.4%	23	5,996,295	\$2,567,201.33	\$428.13
April 2007	58	60,473,270	22	37.9%	24	10,087,120	\$3,250,525.86	\$322.25
May 2007	77	67,181,820	40	51.9%	44	6,303,810	\$4,844,311.64	\$768.47
June 2007	99	159,383,198	31	31.3%	31	8,098,128	\$4,008,594.40	\$495.00
July 2007	90	87,101,800	25	27.8%	27	8,524,270	\$2,529,957.38	\$296.79
August 2007	83	112,945,771	29	34.9%	28	10,786,901	\$2,892,575.29	\$268.16
September 2007	45	34,766,700	14	31.1%	14	3,083,300	1,936,243.01	\$627.98
October 2007	47	41,694,079	16	34.0%	18	5,381,189	\$6,035,465.69	\$1,121.59
November 2007	43	38,583,240	22	51.2%	19	3,024,469	\$1,171,854.94	\$387.46
December 2007	51	50,406,500	26	51.0%	24	9,097,200	\$2,413,328.16	\$265.28
January 2008	59	58,403,266	24	40.7%	19	5,503,936	\$1,304,223.48	\$236.96
February 2008	28	11,245,630	13	46.4%	13	1,407,700	\$433,826.75	\$308.18
March 2008	115	155,146,880	49	42.6%	42	17,154,460	\$3,959,010.21	\$230.79
April 2008	59	57,118,060	29	49.2%	24	3,471,292	\$1,409,967.24	\$406.18
May 2008	46	40,455,817	27	58.7%	20	4,675,363	\$2,287,897.78	\$489.35
June 2008	81	52,441,540	61	75.3%	38	9,852,020	\$35,829,909.81	\$3,636.81
July 2008	67	75,779,603	38	56.7%	29	6,568,763	\$48,806,966.78	\$7,430.16
August 2008	72	31,893,030	72	100.0%	51	7,432,760	\$93,831,700.03	\$12,624.07
September 2008	-	-	-	0.0%	-	-	\$0.00	
October 2008	367	245,850,305	142	38.7%	128	32,685,321	\$43,559,940.38	\$1,332.71
November 2008	155	105,638,110	53	34.2%	41	8,925,374	\$3,757,649.92	\$421.01
December 2008	142	112,087,562	50	35.2%	29	4,268,826	\$1,501,254.23	\$351.68
January 2009	77	105,817,220	24	31.2%	18	3,594,670	\$880,837.75	\$245.04
February 2009	28	34,140,230	24	85.7%	16	1,612,750	\$604,287.82	\$374.69
March 2009	45	41,747,130	6	13.3%	6	2,681,870	\$1,356,772.99	\$505.91
April 2009	64	69,340,560	20	31.3%	9	760,070	\$773,943.34	\$1,018.25
May 2009	62	47,678,369	28	45.2%	30	11,306,490	\$3,758,375.82	\$332.41
June 2009	11	6,524,502	11	100.0%	11	477,502	\$1,441,487.29	\$3,018.81
July 2009	49	49,772,731	25	51.0%	25	5,308,001	\$3,236,428.98	\$609.73
August 2009	43	12,610,401	45	104.7%	31	2,621,833	\$7,324,454.38	\$2,793.64
September 2009	5	1,339,892	3	60.0%	3	47,092	\$29,932.00	\$635.61
October 2009	46	17,609,762	57	123.9%	29	1,604,742	\$12,131,040.07	\$7,559.50
November 2009	25	19,754,790	17	68.0%	13	1,382,026	\$2,654,065.89	\$1,920.42
December 2009	67	70,732,918	51	76.1%	40	8,016,328	\$9,445,466.55	\$1,178.28
January 2010	53	38,771,489	39	73.6%	31	8,109,459	\$4,099,665.49	\$505.54
February 2010	20	6,217,261	27	135.0%	13	1,704,241	\$6,303,884.98	\$3,698.94
March 2010	23	18,752,018	24	104.3%	16	2,570,538	\$4,826,740.56	\$1,877.72
April 2010	63	19,388,408	64	101.6%	48	2,614,421	\$3,471,860.47	\$1,327.97
May 2010	63	61,447,218	18	28.6%	17	4,380,874	\$1,820,157.40	\$415.48
June 2010	48	39,124,130	18	37.5%	20	2,353,460	\$6,072,056.39	\$2,580.06
July 2010	29	2,924,129	26	89.7%	25	1,380,710	\$4,596,455.32	\$3,329.05
August 2010	39	25,806,820	25	64.1%	26	6,898,420	\$3,716,759.96	\$538.78
September 2010	43	46,609,856	22	51.2%	21	977,875	1,121,923.86	\$1,147.31
October 2010	46	26,701,987	28	60.9%	29	3,103,947	2,705,881.52	\$871.76
November 2010	39	32,525,955	20	51.3%	19	2,485,560	6,592,803.57	\$2,652.44
December 2010	51	14,392,033	23	45.1%	23	5,399,484	2,864,918.74	\$530.59
January 2011	58	79,128,832	20	34.5%	23	5,334,780	2,216,371.68	\$415.46
February 2011	17	7,385,028	10	58.8%	11	844,000	604,518.90	\$716.25
March 2011	159	232,779,075	35	22.0%	32	15,882,487	11,572,567.17	\$728.64
April 2011	42	20,698,055	20	47.6%	21	4,149,700	2,332,301.70	\$562.04
May 2011	25	16,015,022	17	68.0%	17	9,996,870	2,774,369.98	\$277.52
June 2011	49	40,887,477	22	44.9%	27	3,392,785	2,446,928.15	\$721.22
July 2011	79	37,441,099	50	63.3%	55	6,124,417	4,237,220.83	\$691.86
August 2011	39	44,249,773	18	46.2%	18	1,759,762	667,147.07	\$379.11
September 2011	53	28,555,630	38	71.7%	38	11,410,090	2,978,732.25	\$261.06
October 2011	39	49,521,346	16	41.0%	17	7,561,406	2,715,376.54	\$359.11
November 2011	35	37,977,321	13	37.1%	15	4,355,961	1,391,869.22	\$319.53
December 2011	57	45,145,595	42	73.7%	30	15,680,325	4,625,707.69	\$295.00
January 2012	50	44,906,260	23	46.0%	24	5,717,660	2,034,845.28	\$355.89
February 2012	43	69,704,740	25	58.1%	36	7,371,520	3,360,494.79	\$455.88
March 2012	54	35,786,190	24	44.4%	27	3,501,420	1,015,037.74	\$289.89
April 2012	17	10,428,310	11	64.7%	12	2,526,780	834,086.54	\$330.10
May 2012	116	138,966,119	41	35.3%	43	14,627,000	7,401,140.76	\$505.99
June 2012	44	55,484,898	15	34.1%	16	6,193,611	2,940,680.39	\$474.79
July 2012	28	16,136,727	11	39.3%	12	1,534,907	498,136.34	\$324.54
August 2012	28	147,500,317	31	110.7%	51	11,558,657	4,907,849.44	\$424.60
September 2012	10	11,821,827	7	70.0%	4	656,147	337,567.00	\$147.47
October 2012	50	81,192,340	13	26.0%	12	2,989,470	1,360,942.60	\$455.25
November 2012	25	32,126,970	12	48.0%	20	2,809,620	1,821,788.69	\$648.41
December 2012	38	55,077,310	16	42.1%	19	4,067,150	1,963,075.50	\$482.67

SONRIS Source Reports.  
Lease Sale Summary  
Lease Sale Fiscal Year  
YTD Tracts and Acreage Report  
Lease Sale Statistics

### State Acreage Under Lease



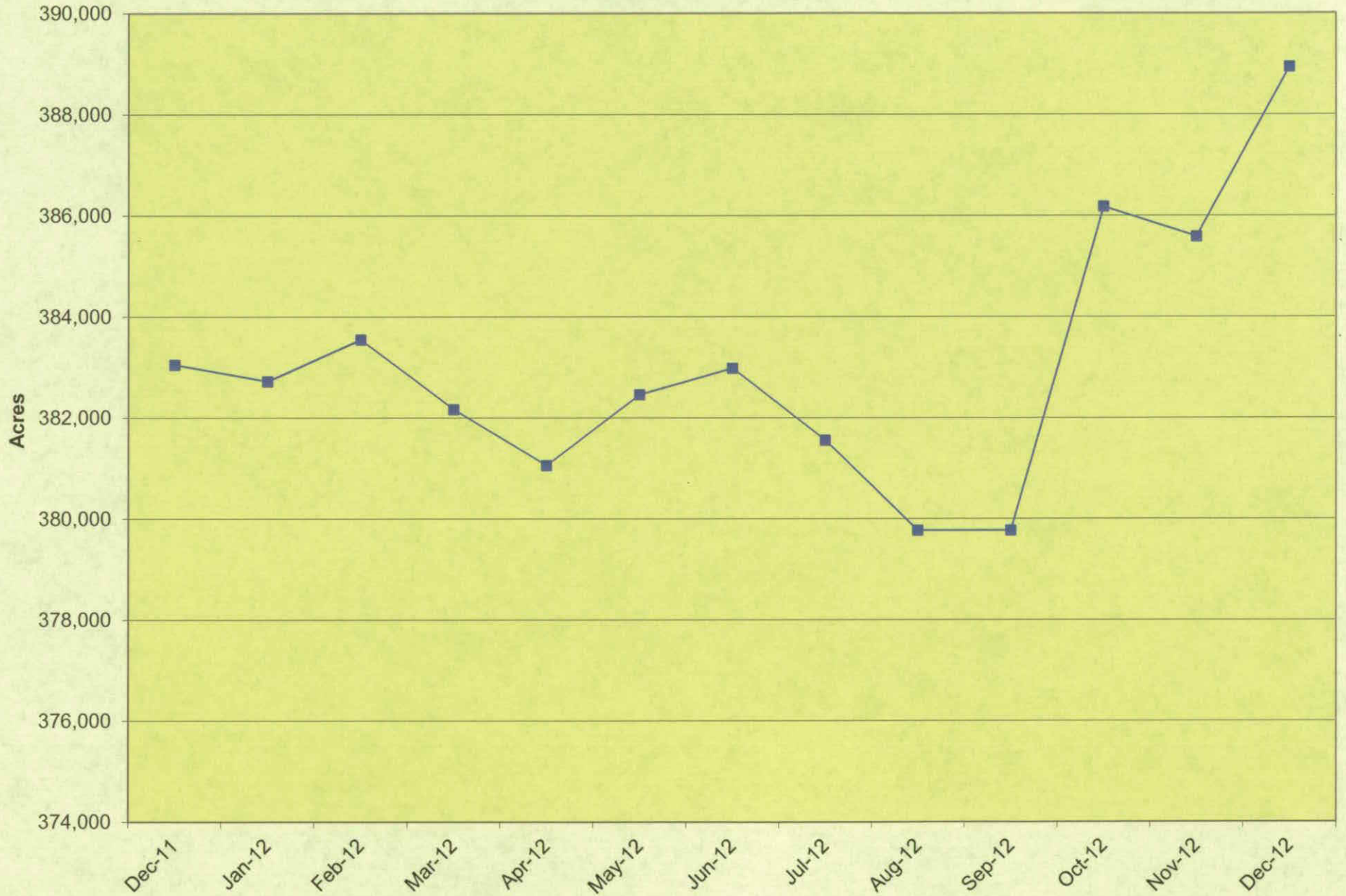
As of December 31, 2012



**State Acreage Under Lease**

<u>Month/Year</u>	<u>Acreage</u>
January 2004	970,647
February 2004	970,566
March 2004	973,551
April 2004	967,958
May 2004	974,311
June 2004	978,972
July 2004	977,175
August 2004	979,727
September 2004	981,595
October 2004	981,936
November 2004	983,547
December 2004	982,793
January 2005	977,687
February 2005	987,060
March 2005	989,296
April 2005	985,526
May 2005	986,287
June 2005	984,084
July 2005	991,395
August 2005	993,569
September 2005	999,285
October 2005	1,001,031
November 2005	999,714
December 2005	1,000,881
January 2006	997,605
February 2006	1,012,059
March 2006	1,010,201
April 2006	1,014,111
May 2006	1,019,784
June 2006	1,007,301
July 2006	1,005,887
August 2006	1,015,199
September 2006	1,011,473
October 2006	1,016,921
November 2006	1,023,932
December 2006	1,022,243
January 2007	1,028,925
February 2007	1,036,953
March 2007	1,021,053
April 2007	1,020,861
May 2007	1,015,199
June 2007	1,011,179
July 2007	1,005,474
August 2007	1,010,699
September 2007	1,007,599
October 2007	1,004,799
November 2007	998,681
December 2007	1,000,171
January 2008	1,004,555
February 2008	996,060
March 2008	1,007,716
April 2008	997,694
May 2008	987,990
June 2008	983,981
July 2008	971,662
August 2008	971,764
September 2008	956,861
October 2008	979,642
November 2008	978,571
December 2008	980,177
January 2009	975,858
February 2009	968,268
March 2009	965,586
April 2009	956,319
May 2009	958,778
June 2009	944,169
July 2009	932,690
August 2009	920,007
September 2009	904,586
October 2009	895,792
November 2009	892,551
December 2009	895,270
January 2010	895,294
February 2010	890,479
March 2010	873,504
April 2010	847,680
May 2010	847,259
June 2010	840,614
July 2010	837,713
August 2010	840,595
September 2010	839,384
October 2010	834,736
November 2010	831,990
December 2010	830,109
January 2011	832,686
February 2011	830,312
March 2011	841,244
April 2011	835,606
May 2011	838,805
June 2011	837,030
July 2011	840,695
August 2011	827,487
September 2011	838,284
October 2011	841,468
November 2011	842,874
December 2011	850,934
January 2012	850,672
February 2012	848,663
March 2012	844,908
April 2012	841,755
May 2012	851,404
June 2012	853,371
July 2012	848,353
August 2012	843,802
September 2012	847,588
October 2012	841,248
November 2012	840,722
December 2012	842,195

### Productive Acres



## **Productive Acres**

<u>Month/Year</u>	<u>Acres</u>
December 2011	383,054
January 2012	382,725
February 2012	383,551
March 2012	382,172
April 2012	381,061
May 2012	382,465
June 2012	382,986
July 2012	381,559
August 2012	379,777
September 2012	379,775
October 2012	386,184
November 2012	385,590
December 2012	388,946