

# **MINUTES**

## **STATE MINERAL AND ENERGY BOARD**

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

**OCTOBER 9, 2013**

**STATE MINERAL AND ENERGY BOARD  
REGULAR MEETING AND LEASE SALE MINUTES  
OCTOBER 9, 2013**

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on Wednesday, October 9, 2013, beginning at 11:01 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

Mr. 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  
Stephen Chustz, DNR Secretary  
Thomas W. Sanders  
Darryl D. Smith  
Dan R. Brouillette  
Robert "Michael" Morton

The following members of the Board were recorded as absent:  
Louis J. Lambert  
Garret Graves (Governor Bobby Jindal's designee)

Ms. Talley announced that eight (8) 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  
Rachel Newman, Director-Mineral Income Division  
Frederick Heck, Director-Petroleum Lands Division  
Emile Fontenot, Assistant Director-Petroleum Lands Division  
James Devitt, Deputy General Counsel-Department of Natural Resources

Upon motion of Mr. Chustz, seconded by Mr. Sanders, and unanimously adopted by the Board, the Board recessed the regular meeting to continue the Committee Meetings at 11:02 a.m.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, and unanimously adopted by the Board, the Board reconvened the regular meeting at 1:24 p.m.

STATE MINERAL AND ENERGY BOARD  
Regular Meeting and Lease Sale Minutes  
October 9, 2013

The Chairman stated that the first order of business was the approval of the September 11, 2013 Minutes. A motion was made by Mr. Brouillette 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. Cordaro, 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.**

At this time, the Chairman announced that the Board would recess its regular meeting at 1:26 p.m. to 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. Brouillette, and unanimously adopted by the Board.

During the technical briefing, the Board conferred with staff personnel concerning the merit of the bids that were submitted and opened earlier today at a public meeting\*, based on geological, engineering and other confidential data and analyses available to the Board and staff, after which, upon motion of Mr. Arnold, seconded by Mr. Sanders, and unanimously adopted by the Board, the Board reconvened in open session at 1:34 p.m.

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

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

Mr. Vaughn stated that the bid by JIL Exploration, Inc. on a portion of Tract 43531 is unacceptable due to the length of the primary term on the bid form indicated as five (5) years. As the result, the staff recommends rejection of the bid by JIL Exploration, Inc. and the Board may consider accepting oral bids from the floor on Tract 43531. Mr. Vaughn further recommended that the bids received on the remaining tracts be accepted.

Upon motion by Mr. Sanders, seconded by Mr. Arnold, the Board unanimously voted to accept all bids except for the bid on Tract 43531, and award leases on those tracts.

STATE MINERAL AND ENERGY BOARD  
Regular Meeting and Lease Sale Minutes  
October 9, 2013

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43498, said portion being 360.46 acres more particularly described in said bid and outlined on accompanying plat, to Schoeffler Energy, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43499, said portion being 319.33 acres more particularly described in said bid and outlined on accompanying plat, to Schoeffler Energy, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43500, said portion being 579.28 acres more particularly described in said bid and outlined on accompanying plat, to Schoeffler Energy, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43500, said portion being 289.280 acres more particularly described in said bid and outlined on accompanying plat, to JIL Exploration, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43504 to Schoeffler Energy, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43505 to Schoeffler Energy, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43506 to Schoeffler Energy, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43507 to Schoeffler Energy, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43508, said portion being 537.68 acres more particularly described in said bid and outlined on accompanying plat, to Schoeffler Energy, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43510 to Schoeffler Energy, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43511 to Schoeffler Energy, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43513 to Petra Energy Services, L.L.C.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43515 to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43516, said portion being 483.000 acres more particularly

STATE MINERAL AND ENERGY BOARD  
Regular Meeting and Lease Sale Minutes  
October 9, 2013

described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43519, said portion being 280.030 acres more particularly described in said bid and outlined on accompanying plat, to Castex Energy Partners, L.P.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43519, said portion being 123.950 acres more particularly described in said bid and outlined on accompanying plat, to Castex Energy Partners, L.P.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43519, said portion being 248.000 acres more particularly described in said bid and outlined on accompanying plat, to Castex Energy Partners, L.P.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43521, said portion being 92.370 acres more particularly described in said bid and outlined on accompanying plat, to Square Mile Energy, L.L.C.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43524, said portion being 98.00 acres more particularly described in said bid and outlined on accompanying plat, to Dimension Energy C.B., L.L.C.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43533, said portion being 1,055.19 acres more particularly described in said bid and outlined on accompanying plat, to Schoeffler Energy, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43535 to Schoeffler Energy, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43537, said portion being 824.41 acres more particularly described in said bid and outlined on accompanying plat, to Schoeffler Energy, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43538, said portion being 736.06 acres more particularly described in said bid and outlined on accompanying plat, to Schoeffler Energy, LLC.

Upon motion by Mr. Arnold, seconded by Mr. Sanders, the Board unanimously voted to open bidding from the floor on Tract 43531. An oral bid was offered by Robin Benoit on behalf of JIL Exploration, Inc. on a portion of Tract 43531, with a primary term of three (3) years, said portion being 319.790 acres, with a bonus bid of \$82,186.03, with an annual rental of \$41,093.02, and a royalty of 23%. The Chairman asked if there were any other bids from the floor, being none, the bidding from the floor was closed. The Chairman then asked for the staff's recommendation on the bid. Mr. Vaughn stated that the staff recommends accepting the bid by JIL Exploration, Inc. on Tract 43531.

STATE MINERAL AND ENERGY BOARD  
Regular Meeting and Lease Sale Minutes  
October 9, 2013

Upon motion by Mr. Arnold, seconded by Mr. Sanders, the Board unanimously voted to accept the bid from the floor by JIL Exploration, Inc., and award a lease on Tract 43531.

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 \$421,116.70, bringing the fiscal year-to-date total to \$8.5 million."

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Arnold, seconded by Mr. Sanders, the meeting was adjourned at 1:40 p.m.

Respectfully submitted,



Victor M. Vaughn  
Executive Officer  
State Mineral and Energy Board

THE FOLLOWING OPENING OF SEALED  
BIDS MEETING MINUTES, COMMITTEE  
REPORTS AND RESOLUTIONS WERE  
MADE A PART OF THE OCTOBER 9,  
2013 STATE MINERAL AND ENERGY  
BOARD REGULAR MEETING AND LEASE  
SALE MINUTES BY REFERENCE

**STATE MINERAL AND ENERGY BOARD**  
**OPENING OF SEALED BIDS MINUTES**  
**OCTOBER 9, 2013**

A public meeting for the purpose of opening sealed bids was held on Wednesday, October 9, 2013, beginning at 8:32 a.m. in the LaBelle 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  
Stacey Talley, Deputy Assistant Secretary of the Office of Mineral Resources  
Rachel Newman, Director-Mineral Income Division  
Frederick Heck, Director-Petroleum Lands Division  
Emile Fontenot, Assistant Director-Petroleum Lands Division  
Ryan Seidemann, Assistant Attorney General  
James Devitt, Attorney-DNR Office of the Secretary

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:

**October 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. 43497 through 43541, have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended.

Yours very truly,

(Original signed)

Emile Fontenot  
Assistant Director  
Petroleum Lands Division



STATE MINERAL AND ENERGY BOARD  
Opening of Sealed Bids Minutes  
October 9, 2013

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 43497

No Bids

Tract 43498  
(Portion – 360.46 acres)

Bidder	:	Schoeffler Energy, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$82,905.80
Annual Rental	:	\$41,452.90
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

Tract 43499  
(Portion – 319.33 acres)

Bidder	:	Schoeffler Energy, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$73,445.90
Annual Rental	:	\$36,722.95
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

Tract 43500  
(Portion – 579.28 acres)

Bidder	:	Schoeffler Energy, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$86,892.00
Annual Rental	:	\$43,446.00
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

STATE MINERAL AND ENERGY BOARD  
 Opening of Sealed Bids Minutes  
 October 9, 2013

Tract 43500  
 (Portion – 289.280 acres)

Bidder	:	JIL Exploration, Inc.
Primary Term	:	Five (5) years
Cash Payment	:	\$74,344.96
Annual Rental	:	\$37,172.48
Royalties	:	23% on oil and gas
	:	23% on other minerals
Additional Consideration	:	None

Tract 43501

No Bids

Tract 43502

No Bids

Tract 43503

No Bids

Tract 43504

Bidder	:	Schoeffler Energy, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$250,488.00
Annual Rental	:	\$125,244.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 43505

Bidder	:	Schoeffler Energy, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$124,267.60
Annual Rental	:	\$62,133.80
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 43506

Bidder	:	Schoeffler Energy, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$334,222.72
Annual Rental	:	\$167,111.36
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

STATE MINERAL AND ENERGY BOARD  
 Opening of Sealed Bids Minutes  
 October 9, 2013

Tract 43507

Bidder	:	Schoeffler Energy, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$547,500.00
Annual Rental	:	\$273,750.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 43508  
 (Portion – 537.68 acres)

Bidder	:	Schoeffler Energy, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$80,652.00
Annual Rental	:	\$40,326.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 43509

No Bids

Tract 43510

Bidder	:	Schoeffler Energy, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$27,665.37
Annual Rental	:	\$13,832.69
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 43511

Bidder	:	Schoeffler Energy, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$275,343.60
Annual Rental	:	\$137,671.80
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

**INLAND TRACTS**

Tract 43512

No Bids

Tract 43513

Bidder	:	Petra Energy Services, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$13,912.00
Annual Rental	:	\$6,956.00
Royalties	:	23% on oil and gas
	:	23% on other minerals
Additional Consideration	:	None

Tract 43514

No Bids

Tract 43515

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$411,806.38
Annual Rental	:	\$205,903.19
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 43516  
(Portion – 483.00 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$96,600.00
Annual Rental	:	\$48,300.00
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

Tract 43517

No Bids

Tract 43518

No Bids

STATE MINERAL AND ENERGY BOARD  
Opening of Sealed Bids Minutes  
October 9, 2013

Tract 43519  
(Portion – 280.030 acres)

Bidder	:	Castex Energy Partners, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$141,415.15
Annual Rental	:	\$70,707.58
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 43519  
(Portion – 123.950 acres)

Bidder	:	Castex Energy Partners, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$520,590.00
Annual Rental	:	\$260,295.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 43519  
(Portion – 248.00 acres)

Bidder	:	Castex Energy Partners, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$125,240.00
Annual Rental	:	\$62,620.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

No Bids

Tract 43520

Tract 43521  
(Portion – 92.370 acres)

Bidder	:	Square Mile Energy, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$34,823.49
Annual Rental	:	\$17,411.75
Royalties	:	22.50% on oil and gas
	:	22.50% on other minerals
Additional Consideration	:	None

STATE MINERAL AND ENERGY BOARD  
 Opening of Sealed Bids Minutes  
 October 9, 2013

No Bids Tract 43522

No Bids Tract 43523

Tract 43524  
 (Portion – 98.38 acres)

Bidder	:	Dimension Energy C.B., L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$29,514.00
Annual Rental	:	\$14,757.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

No Bids Tract 43525

No Bids Tract 43526

No Bids Tract 43527

No Bids Tract 43528

No Bids Tract 43529

No Bids Tract 43530

Tract 43531  
 (Portion – 319.790 acres)

Bidder	:	JIL Exploration, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$82,186.03
Annual Rental	:	\$41,093.02
Royalties	:	23% on oil and gas
	:	23% on other minerals
Additional Consideration	:	None

No Bids Tract 43532

STATE MINERAL AND ENERGY BOARD  
Opening of Sealed Bids Minutes  
October 9, 2013

Tract 43533  
(Portion – 1,055.19 acres)

Bidder	:	Schoeffler Energy, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$158,278.50
Annual Rental	:	\$79,139.25
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 43534

No Bids

Tract 43535

Bidder	:	Schoeffler Energy, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$165,488.10
Annual Rental	:	\$82,744.05
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 43536

No Bids

Tract 43537  
(Portion – 824.41 acres)

Bidder	:	Schoeffler Energy, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$173,126.10
Annual Rental	:	\$86,563.05
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 43538  
(Portion – 736.06 acres)

Bidder	:	Schoeffler Energy, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$110,409.00
Annual Rental	:	\$55,204.50
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

**PASS-A-LOUTRE WMA TRACTS**

No Bids Tract 43539

No Bids Tract 43540

**ADJUDICATED LANDS TRACT**

No Bids Tract 43541

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 9:02 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, October 9, 2013 at 9:35 a.m. with the following members of the Board in attendance: Mr. Thomas L. Arnold, Jr., Mr. Dan R. Brouillette, Mr. Stephen Chustz, Mr. Emile B. Cordaro, Mr. Robert "Michael" Morton, Mr. Thomas W. Sanders, and Mr. Darryl D. Smith.

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 1,834 active State Leases covering almost 778,000 acres. The Geological and Engineering Division has reviewed 139 leases covering approximately 88,000 acres.

**II. Committee Review**

1. A staff report on **State Lease 199-A-0 and State Lease 199-A-1**, Bay St. Elaine Field Selection, Terrebonne Parish. Hilcorp Energy I, L.P. is the operator.

The staff recommends that the Board grant Hilcorp Energy I, L.P. until February 11, 2014 to meet with the staff to discuss development on State Lease 199-A-0 and State Lease 199-A-1.

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

The staff recommends that the Board accept Hilcorp Energy I, L.P.'s offer to release all of the remaining acreage held under State Lease 328-A and that a status report concerning the release be submitted to the Board by December 11, 2013.

3. A staff report on **State Lease 1170**, Hog Bayou Field, Cameron Parish. Hilcorp Energy I, L.P. is the lessee.

The staff recommends that the Board accept Hilcorp Energy I, L.P.'s report discussed with the staff on September 5, 2013 and that Hilcorp meet with the staff by September 10, 2014 to present a plan of development for this lease.

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

The staff recommends that the Board defer action on State Lease 1217 until November 13, 2013.

5. A staff report on **State Lease 2038**, Deep Lake Field, Cameron Parish. ExxonMobil Corporation is the lessee.

The staff recommends that the Board accept ExxonMobil Corporation's report received by staff in a letter dated September 6, 2013 and request that ExxonMobil report to the Board on the status of a potential buyer by December 11, 2013.

6. A staff report on **State Lease 2620**, Lake Pelto Field. Terrebonne Parish. Apache Corporation and Castex Energy Partners, LP are lessees.

The staff recommends that the Board defer action on State Lease 2620 until November 13, 2013.

7. A staff report on **State Lease 3306 and 4011**, Redfish Point Field located in Vermilion Parish. Hilcorp Energy I, LP is the lessee.

The staff recommends that the Board accept Hilcorp Energy 1, L.P.'s proposed partial release of approximately 187 acres from State Lease 4011 and grant Hilcorp Energy I, L.P. until September 10, 2014 to present a plan of development for State Lease Nos. 3306 and 4011.

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

No Objection to 29-E Waiver, W.H. Robbins & Associates, SL 195 QQ Well No. 59 S/T, SN 112917, West Black Bay Field, Plaquemines Parish affecting State Lease 195.

### IV. Force Majeure

Updated 09/25/2013

Company Name	Lease Numbers
Leases Off Production Due to Non-Storm Related Force Majeure Events	
Black Elk Energy	14905 (November)
Energy Properties Inc.	725 (March 2014)
Palm Energy Offshore LLC	18936 (November)
Stone Energy Offshore, L.L.C.	15074, 17309, A0285 (January 2014)

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

On motion by Mr. Sanders, seconded by Mr. Arnold, the Committee moved to adjourn the October 9, 2013 meeting at 9:45 a.m.

Respectfully submitted,

Handwritten signature of Darryl D. Smith in cursive script.

---

Mr. Darryl D. Smith, Chairman  
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.**

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: October 10, 2013 9:02 AM

District Code 1 New Orleans- East  
Get Review Date

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
01732		POINTE A LA HACHE	VUG,DELACROIX	85	85	OCT. AR 9/18/13 JMB HBP- 1 VUG
06618		CHANDELEUR SOUND BLOCK 71	119.667 02/16/2004	50.961	50.961	OCT. AR 9/18/13 JMB HBP - 2 UNITS
16799		CHANDELEUR SOUND BLOCK 69		1346.95	1346.95	OCT. AR 9/18/13 JMB HBP - LEASE WELL
16867		SOUTHEAST PASS		319.56	319.56	OCT. 9/18/13 JMB RELEASED
16890		BRETON SOUND BLOCK 51	8300 VUA;SL 17243 10/13/2004	270.15	270.15	OCT. 9/18/13 JMB HBP - LEASE WELL
19079		BRETON SOUND BLOCK 45	246.3 08/18/2011	85.53	85.53	OCT AR 9/18/13 JMB HBP - 1 VUB
19718				0	425.25	OCT. PT 7/9/13 9/18/13 JMB 6 MO. EXTENSION WITH OPTION FOR ADD'L 6 MO. (EXTENSION OF LEASE FOR 6 MONTHS FOR A FULL RENTAL PAYMENT BY 7/9/2013 OPTION FOR SECOND AT FULL RENTAL 1/9/2014 INCREASE IN % TO 22)
20646				0	598.8	OCT. PT 7/13/16

## Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: October 10, 2013 9:02 AM

District Code 1W New Orleans- West

Get Review Date

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00378		GOLDEN MEADOW	246290-SL 378 CATFISH LAKE-159 07/17/2013	1732	2616	OCT AR 9/18/13 JMB AR-HBP - 7 UNITS
01010		SOUTH PASS BLOCK 27 , WEST DELTA BLOCK 83	N2 RJ SUA;SL 1010 04/24/2001 303-R-7 01-344	26.27	26.27	OCT. AR 9/18/13 JMB HBP - 3 UNITS
01012		PASS WILSON , SOUTH PASS BLOCK 27 , STUARDS BLUFF	217605-SPB27 N1B RC SU;SL 1012-322 01/19/1995	1819.16	1819.16	OCT. AR 9/18/13 JMB HBP - 13 UNITS - LEASE WELLS
01217		BAY DE CHENE , GOLDEN MEADOW	VUB;BDC UB	1531	4041	OCT. OB 9/18/13 JMB OB-HBP - 4 UNITS - POD DUE 09/20/13
01388		SOUTH PASS BLOCK 24 , SOUTH PASS BLOCK 24 OFFSHORE(8453 7/97	ST O'BRIEN UC  227-YY-2	1619	1619	OCT. AR 9/18/13 JMB HBP - NUMEROUS UNITS
01924		SOUTH PASS BLOCK 24 , SOUTH PASS BLOCK 24 OFFSHORE(8453 7/97	ST O'BRIEN UC  227-YY-2	601	601	OCT. AR 9/18/13 JMB HBP - 9 UNITS
02102		BAYOU SORREL	222447-CIB H2 RB SUA;SL 2102-001-ALT 08/17/1998	15.88	143	OCT. AR 9/18/13 JMB HBP - 1 UNIT
02227		BURRWOOD , SOUTH PASS BLOCK 24 , SOUTH PASS BLOCK 24 OFFSHORE(8453 7/97 , WEST DELTA BLOCK 83	8000 (S) RH SUH;SL 978  227-A-2 98-781	300	870	OCT. AR 9/18/13 JMB HBP - 11 UNITS
02565		BURRWOOD	BURR T RA SU 11/16/2010 850-B 10-1187	322 997	1500	OCT. AR 9/18/13 JMB HBP - 4 UNITS
02566		BURRWOOD	BURR T RA SU 11/16/2010 850-B 10-1187	965	965	OCT. AR 9/18/13 JMB HBP - 2 UNITS
03263		WEST BAY	WB 5B RA SU 07/01/1991	115	115	OCT. AR 9/18/13 JMB HBP - 1 UNIT
04534		LAKE RACCOURCI	LR SP 7 RA SU 02/19/2008 175-H-1 08-239	500	679.81	OCT AR 9/18/13 JMB HBP - 3 UNITS
11293		WEST LAKE PONTCHARTRAIN BLK 38	217806-SL 11293-008 07/12/1995	864	893	OCT. 9/18/13 JMB HBP - WAITING ON OFFICIAL RELEASE
15016		SOUTH PASS BLOCK 27	471 08/15/2012	1020	2013.7	OCT. AR 9/18/13 JMB HBP - 1 UNIT - 2 LEASE WELLS
17266		LAKE WASHINGTON	4400 RC SUA;SL 17266 01/29/2013 149-JJJ-9	101	101	OCT. AR 9/18/13 JMB HBP - 5 UNITS
18907		LAKE WASHINGTON	1433.08 08/30/2011	51.92	51.92	OCT. AR 9/18/13 JMB HBP - 3 UNITS
19201		LAKE SALVADOR		432.69	432.69	OCT. AR 9/18/13 JMB HBP - 1

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: October 10, 2013 9:02 AM

District Code 1W New Orleans- West

Get Review Date

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
LEASE WELL						
19202		LAKE SALVADOR	VUA; 06/12/2013	78.07	78.07	OCT. AR 9/18/13 JMB HBP - 1 VUA
19203		LAKE SALVADOR	VUA; 06/12/2013	43.33	43.33	OCT. AR 9/18/13 JMB HBP - 1 VUA
19204		LAKE SALVADOR	VUA; 06/12/2013	65.38	65.38	OCT. AR 9/18/13 JMB HBP - 1 VUA
19205		LAKE SALVADOR	VUA; 06/12/2013	172.35	172.35	OCT. AR 9/18/13 JMB HBP - 1 VUA
19206		LAKE SALVADOR	VUA; 06/12/2013	97.78	97.78	OCT. AR 9/18/13 JMB HBP - 1 VUA
19232		LAKE SALVADOR	VUA; 06/12/2013	1538.87	1538.87	OCT. AR 9/18/13 JMB HBP - 1 VUA - WAITING ON PR CORRECTION
19385				0	215	OCT FINAL ILR TO 1/14/13 (238117 SIWOP) PT 5/9/10
20110		IRENE	TUSC RA SUA;ACME BRICK 07/21/2009 1047-G	2.547	2.547	OCT. AR 9/18/13 JMB HBP - 1 UNIT
20379				0	461	OCT. 9/18/13 JMB RELEASE REQUESTED 07/22/13
20679		LAFITTE	7100 RE SUA,LL&E LAFITTE 12/08/2009 76-CC-4	.454	.454	OCT. PT 7/13/14 9/18/13 JMB HBP - 1 UNIT
20680		LAFITTE	7100 RE SUA,LL&E LAFITTE 12/08/2009 76-CC-4	.25	.25	OCT. PT 7/13/14 9/18/13 JMB HBP - 1 UNIT
20983				0	11	OCT. PT 7/11/15 9/18/13 JMB PAID RENTAL 7/11/13 TO 7/11/14
20984				0	297	OCT. PT 7/11/15 9/18/13 JMB PAID RENTAL 7/11/13 TO 7/11/14
20985				0	51	OCT PT 7/11/15 9/18/13 JMB PAID RENTAL 7/11/13 TO 7/11/14

## Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: October 10, 2013 9:02 AM

District Code 2 Lafayette

Get Review Date

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00188A	1	CAILLOU ISLAND	SL 188 U2	3	47	OCT AR 9/23/13 AL THIS PORTION IS MAINTAINED BY THE PRODUCTIVE AREA OF SL 188 BUT NO PRODUCTION IS COMING FROM THIS PORTION
00188A	0	CAILLOU ISLAND	SL 188 U2	4478	7640	OCT. AR 9/23/13 AL PRODUCTIVE AREA; HBP FROM SEVERAL UNITS.
00199A	0	BAY ST ELAINE	VU4;BSE U4	7870	7870	OCT. AR 9/23/13 AW HBP IN 18 UNITS
00199A	1	BAY ST ELAINE	VU4;BSE U4	182	495	OCT. OB 9/24/13 AW REVIEWED BY A. WILEY AUGUST 2013, HBP IN 14 UNITS (SEE 199-A-0). BOTH PORTIONS WILL BE BROUGHT BEFORE LEASE COMMITTEE 10/9/13, HILCORP TO MEET WITH US AT LATER DATE, NO ACTION REQUIRED AT THIS TIME.
00199A	0	BAY ST ELAINE	VU4;BSE U4	2358	2358	OCT. OB REVIEWED BY A. WILEY IN AUGUST 2013, HBP IN 14 UNITS
00199B	0	LAKE BARRE	VU29;LB U29	7870	7870	OCT. AR 9/23/13 AW HBP IN 18 UNITS
00199B	2	LAKE BARRE	VU29;LB U29	144	566.99	OCT. AR 9/24/13 AW HBP IN 18 UNITS (SEE 199-B0). APPROX 43 ACRES OF NE PORTION WAS CAPTURED BY CC-EE RA SUA, BUT REMAINDER OF NE PORTION & ALL OF NW PORTION ARE UNDERDEVELOPED. HILCORP TO MEET WITH US AT LATER DATE, NO ACTION REQUIRED AT THIS TIME.
00328A		BAY BAPTISTE	185 01/09/2012	0	630	OCT.OB 9/23/13 AJL THIS PORTION OF SL 328 BAY BAPTISTE IS CONTROLLED BY HILCORP ENERGY AND THERE IS AN EXISTING DEMAND TO RELEASE ACREAGE. ANTICIPATING HAVING A MEETING WITH HILCORP ON THIS LEASE AND OTHERS.
00329A		BAYOU SALE	ST MY RE SUA;SMPL 87-E-13 99-533	820	820	OCT AR 9/23/13 AW HBP IN 2 UNITS IN HORSESHOE BAYOU AND 8 UNITS IN BAYOU SALE
00340D	4	MOUND POINT	25297.83 07/09/2013	0	168	OCT. 9/24/13 AW D4 HAS 1 WELL, CURRENTLY SHUT-IN; HILCORP TO ADDRESS IN NEAR FUTURE, NO ACTION REQUIRED AT THIS TIME

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: October 10, 2013 9:02 AM

District Code 2 Lafayette

Get Review Date

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00340D	7	MOUND POINT	25297.83 07/09/2013	0	384	OCT.9/24/13 AW D7 HAS 3 WELLS, ALL SHUT-IN; HILCORP TO ADDRESS IN NEAR FUTURE, NO ACTION REQUIRED AT THIS TIME.
00340D	2	MOUND POINT	25297.83 07/09/2013	0	2340	OCT 9/26/13 AW HILCORP TO ADDRESS NON-PRODUCTIVE ACREAGE IN NEAR FUTURE, NO ACTION REQUIRED AT THIS TIME;;
00711		DUCK LAKE	DL OPERC 3 SU	405	658	OCT. AR 9/23/13 AW HBP IN 7 UNITS
01247		CAILLOU ISLAND	245877-SL 1247-028 03/09/2013	1750	1886	OCT. AR 9/23/13 AJL HBP FROM SEVERAL UNITS
01249	2	CAILLOU ISLAND	U-W1 RA SUA;SL 2856 11/15/2012 411-UUUU-2 09-204	542.4	542 4	OCT AR 9/24/13 AJL HBP FROM SEVERAL UNITS
01249	0	CAILLOU ISLAND	U-W1 RA SUA;SL 2856 11/15/2012 411-UUUU-2 09-204	1043	3134 586	OCT. AR 9/23/13 AJL HBP FROM SEVERAL UNITS
02366		BELLE ISLE	L RA SUA;SL 340 08/04/2009 576-K-2 09-843	302	302	OCT. AR 9/23/13 AJL HBP FROM TWO UNITS.
02585		BELLE ISLE	B1 NVUA 07/01/1976	812	812	OCT. AR 9/23/13 AW HBP IN 1 UNIT
02620		LAKE PELTO	309.71 11/15/2010	1350	2362.715	OCT. OB 9/23/13 AJL HBP FROM SEVERAL UNITS.
02703		CAILLOU ISLAND	12000 RA SUA;SL 188 10/22/2008 411-TTTT	40	773	OCT. AR 9/23/13 AW HBP OF LEASE WELL
02826		CAILLOU ISLAND		360	1549.1	OCT. AR 9/23/13 AJL HBP FROM THREE UNITS.
03090		CAILLOU ISLAND		700	901.92	OCT. AR 9/23/13 AW HBP OF 4 LEASE WELLS
03184		BELLE ISLE	L RA SUA;SL 340 08/04/2009 576-K-2 09-843	119	119	OCT AR 9/23/13 AJL HBP FROM TWO UNITS.
03185		BELLE ISLE	L RA SUA;SL 340 08/04/2009 576-K-2 09-843	175	175	OCT. AR 9/23/13 AW HBP IN 2 UNITS
03586		BELLE ISLE	L RA SUA;SL 340 08/04/2009 576-K-2 09-843	204	204	OCT. AR 9/23/13 AW HBP IN 2 UNITS
03909		BELLE ISLE	L RA SUA;SL 340 08/04/2009 576-K-2 09-843	524	524	OCT. AR 9/23/13 AJL HBP FROM TWO UNITS.
04238		SOUTH TIMBALIER BLOCK 8	303 03/14/2005	160	568 34	OCT 9/23/13 AW CURRENTLY MAKING BIANNUAL SHUT-IN



## Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: October 10, 2013 9:02 AM

District Code 2 Lafayette

Get Review Date

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
						PAYMENTS DUE TO FORCE MAJEURE CONDITION - MOST RECENT PAYMENT MADE 6/17/13
12105		LAKE PAGIE	31 511 07/23/1988	47.489	47.489	OCT. AR 9/23/13 AJL HELD BY IN-LIEU ROYALTIES (12/10/2012), AND PRODUCTION FROM ONE UNIT.
12605		LAKE ARTHUR, SOUTH	.923 10/18/1990	7.511	7.511	OCT. AR 9/23/13 AW HBP IN 1 UNIT
15307		SOUTH TIMBALIER BLOCK 8		160	243.32	OCT. 9/23/13 AJL HELD BY IN LIEU ROYALTIES ON (06/18/2013)
16244		PASS WILSON	9300 RA VUA;SL 3403	24.732	24.732	OCT. AR 9/23/13 AW HBP IN 2 UNITS
16558		SHIP SHOAL BLOCK 43		160	349.69	OCT. 9/23/13 AJL HELD BY LEASE PRODUCTION FROM ONE LEASE WELL
17156		VERMILION BLOCK 16		100	1418	OCT. 9/23/13 AW - HBP IN 1 LEASE WELL;SARATOGA RELEASED THE 605 ACRES EFFECTIVE 9/4/2013, PER SETTLEMENT WITH BOARD, 605 ACRES WILL BE RELEASED WITHIN 60 DAYS OF FINALIZING SETTLEMENT AGREEMENT WITH HARVEST/SARATOGA,
17174		LAKE DE CADE, EAST		240	445.14	OCT. AR 9/23/13 AJL HELD BY LEASE PRODUCTION FROM ONE LEASE WELL
18640		EUGENE ISLAND BLOCK 10	CIB OP EI 10 VUC;SL 19266 01/27/2012	474.53	474.53	OCT. AR 9/23/13 AW HBP IN 1 UNIT AND LEASE WELL
19475		BAY ST ELAINE	7.974 10/20/2009	2.026	2.026	OCT. AR 9/23/13 AJL RELEASE REQUESTED 6/24/13
19749		SHIP SHOAL BLOCK 66	457.413 08/30/2011	68.057	68.057	OCT. AR 9/23/13 AW HBP IN 1 UNIT
19957		ATCHAFALAYA BAY, SOUTH	VUB;SL 20255 09/14/2011	240.78	240.78	OCT. AR ATCHAFALAYA DELTA WMA 9/23/13 AJL HBP FROM ONE UNIT
20162		LAPEYROUSE	21.777 11/22/2010	7.223	7.223	OCT. AR 9/23/13 AW HBP IN 1 UNIT
20378		LAKE SAND	8700 RA VUA;SL 19139 06/12/2013	0	99.77	OCT. 9/23/13 AJL HBP FROM NEWLY CREATED VUA 8700 RA VUA

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: October 10, 2013 9:02 AM

District Code 2 Lafayette

Get Review Date

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
20676				0	77	OCT. PT 7/13/14 9/23/13 AW REVIEWED BY A. WILEY IN JULY 2013; ROUTE SHEET CREATED DUE TO NONPAYMENT OF RENTAL; 7/9/13 REC'D RELEASE
20685				0	625.35	OCT. PT 7/13/14 ATCHAFALAYA DELTA WMA 9/23/13 AJL HELD BY RENTAL PAID 6/10/13 TO 7/13/14
20686				0	166.84	OCT. PT 7/13/14 ATCHAFALAYA DELTA WMA 9/23/13 AW RENTAL PAYMENT RECEIVED 6/10/13
20687				0	273.02	OCT. PT 7/13/14 ATCHAFALAYA DELTA WMA 9/23/13 AJL HELD BY RENTAL PD 6/10/13 TO 7/13/14
20688				0	253.93	OCT. PT 7/13/14 ATCHAFALAYA DELTA WMA 9/23/13 AW RENTAL PAYMENT RECEIVED 6/10/13
20689		ATCHAFALAYA BAY, SOUTH	VUB;SL 20255 09/14/2011	388.43	388.43	OCT. PT 7/13/14 ATCHAFALAYA DELTA WMA 9/23/13 AJL HBP FROM ONE UNIT
20690		ATCHAFALAYA BAY, SOUTH	VUB;SL 20255 09/14/2011	277.42	277.42	OCT. PT 7/13/14 ATCHAFALAYA DELTA WMA 9/23/13 AW HBP IN 1 UNIT
20691				0	60.85	OCT. PT 7/13/14 ATCHAFALAYA DELTA WMA 9/23/13 AJL HELD BY RENTAL ON 6/10/13 TO 7/13/14
20692		ATCHAFALAYA BAY, SOUTH	VUB;SL 20255 09/14/2011	212.06	212.06	OCT. PT 7/13/14 ATCHAFALAYA DELTA WMA 9/23/13 AW HBP IN 1 UNIT
20693		ATCHAFALAYA BAY, SOUTH	VUB;SL 20255 09/14/2011	61.64	61.64	OCT. PT 7/13/14 ATCHAFALAYA DELTA WMA 9/23/13 AJL HBP FROM ONE UNIT
20694				0	966.26	OCT. PT 7/13/14 ATCHAFALAYA DELTA WMA
20695				0	153.13	OCT. PT 7/13/14 ATCHAFALAYA DELTA WMA

## Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: October 10, 2013 9:02 AM

District Code 3 Lake Charles- North

Get Review Date

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00542		LUCKY	VUD;NEBO OIL CO	120	120	OCT. AR 9/19/13 SR - 100% HBP 1 UNIT.
02852		ANTIOCH	SMK B RA SUD; 01/09/2001 344-E-1 01-05	46	46	OCT. AR 9/23/13 SR 100% HBP 4 WELLS 1 UNIT
03552		LITTLE CREEK , TULLOS URANIA	3.802 08/21/1991	10.307	10.307	OCT. AR 9/23/13 SR - 100% HBP 1 UNIT
05156		ADA	HOSS A RA SUNN;COLE E 07/01/1990	31.438	34	OCT. AR 9/23/13 SR AR - 100% HBP 4 WELLS 1 UNITS.
06760		KINGSTON	HA RA SUA;MCCOY BROS LBR CO 5 11/18/2008 376-D	59 54	59 54	OCT. AR 9/23/13 SR AR - 100% HBP 3 UNITS. NEGATIVE ROYALTY REVENUE.
06964		ATHENS	15.49 03/23/1990	5.51	5.51	OCT SAR 9/23/13 SR - 100% HBP 1 UNIT. 9 MONTH ROYALTY REVENUE \$27.
09600		REDOAK LAKE	U GR RA SUE;HANNA 03/01/1982	35.18	35.18	OCT. AR 9/23/13 SR - 100% HBP. ACREAGE HELD BY PRODUCTION FROM 1 UNITS.
14574		ELM GROVE	HA RA SUZ;C M HUTCHINSON 37 H 11/13/2008 361-L-10	8.932	8.932	OCT. AR 9/23/13 SR - 100% HBP. ACREAGE HELD FROM 3 PRODUCING UNITS.
17064		PITKIN	AUS C RA SUJ;HUNT FRST PROD 31 03/10/1998 1412-A-4 98-166	34 305	34 305	OCT. AR 9/23/13 SR - 100% HBP 3 PRODUCING UNITS
17128		RED RIVER-BULL BAYOU	HA RB SU72;TRACY 3 01/05/2010 109-X-74 10-13	14.947	14.947	OCT. AR 9/23/13 SR - 100% HBP 2 PRODUCING UNITS
18353		KINGSTON	HA RA SUC; 11/18/2008 376-D 08-1791	117.28	117.28	OCT. AR 9/23/13 SR - 100% HBP 3 PRODUCING UNITS. ROYALTY BEING HELD IN ESCROW.
18370		ELM GROVE	HA RA SUGG;TENSAS DELTA A 07/08/2008 361-L-7 08-959	28.503	28.503	OCT. AR 9/23/13 SR - 100% HBP 3 PRODUCING UNITS
19295		JOHNSON BRANCH	HA RA SULL;JPIL BEAIRD 27 H 08/19/2009 994-D-19 09-906	320	320	OCT. AR 9/23/13 SR - 100% HBP 1 PRODUCING UNIT
20091		CASPIANA	HA RA SU125,BROADWAY 29 H 10/06/2009 191-H-65 09-1086	1.42	1.42	OCT AR 9/23/13 SR - 100% HBP FROM 2 UNITS.
20109		CASPIANA	HA RB SUFF;POOLE ANT 21-15-11H	6	6	OCT. AR TAX ADJUDICATED, 9/23/13 SR - 100% HBP FROM 1

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: October 10, 2013 9:02 AM

District Code 3 Lake Charles- North

Get Review Date

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In:
			06/23/2009 191-H-48 09-647			UNIT.
20146		ELM GROVE	HA RA SU67;FRANKS 11-16-13-H 06/09/2009 361-L-39 09-925	1.32	1.32	OCT. AR 9/23/13 SR - 100% HBP 1 UNIT.
20157		GAHAGAN	HA RA SUGG,DUPREE 24 H 10/26/2010 909-H-14 10-1094	82	82	OCT. AR 9/23/13 SR - 100% HBP FROM 2 UNITS.
20445		ELM GROVE	1.21 01/14/2013	54.79	54.79	OCT AR 9/23/13 SR - 100% HBP FROM 4 UNITS.
20649				0	50	OCT. PT 7/13/14 9/23/13 SR RENTAL PAYMENT MADE TO 7/14. SLS LAYER SHOWS UNLEASED STATE PROPERTY ON LEASE TRACT.
20652				0	53	OCT. PT 7/13/14 9/23/13 SR RENTAL PAYMENT MADE TO 7/14.
20653				0	44	OCT. PT 7/13/14 9/23/13 SR RENTAL PAYMENT MADE TO 7/14.
20657				0	36	OCT. PT 7/13/14 9/23/13 SR RENTAL PAYMENT MADE TO 7/14.
20977				0	216	OCT. PT 7/11/15 9/23/13 SR RENTAL PAYMENT MADE TO 7/14.
20978				0	80	OCT. PT 7/11/15 9/23/13 SR RENTAL PAYMENT MADE TO 7/14. TMS UNIT DOES NOT INCLUDE STATE W.B.
20979				0	20	OCT. PT 7/11/15 9/23/13 SR RENTAL PAYMENT MADE TO 7/14.

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: October 10, 2013 9:02 AM



District Code 3S Lake Charles- South  
Get Review Date

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review in
01170		HOG BAYOU-OFFSHORE	LIEB 1-3 RA SUA;SL 1170-1 HOG A 11/08/2012 208-G 12-855	1100	3741.3	OCT. OB 9/23/13 SR HBP 5 PRODUCING UNITS.
02038		DEEP LAKE	430.71 05/10/2013	510	1914	OCT. OB
02048		BANGROFT, NORTH	VUA 07/01/1976	10.79	10.79	OCT. AR 9/23/13 SR - 100% HBP 1 UNIT
03057		LAC BLANC	56 RA SUA;SL 3055 08/14/2007 1028-L 07-858	7.3	380.642	OCT. 9/23/13 AJL HBP FROM ONE UNIT; ATTEMPTED A RECOMPLETION ON THE SL 3057 NO. 7 BUT WAS UNSUCCESSFUL, ON SEPT. 5, 2013, STAFF HAD A MEETING WITH HILCORP TO DISCUSS VARIOUS LEASES INCLUDING THIS LEASE. A NEW FIELD STUDY HAS BEGUN ON THIS LEASE. HILCORP ASKED TO REPORT ON LEASE SEPT. 2014
03306		REDFISH POINT	I-K RA SUA;SL 3306 05/08/2012 834-J 12-261	800	1527.39	OCT. OB 9/23/13 AJL HBP FROM THREE UNITS.
04011		REDFISH POINT	410.11 12/17/2010	400	1265.65	OCT. OB 9/23/13 AW REVIEWED BY A. WILEY IN MAY 2013; HILCORP HAS TO COMMIT TO DRILL A NEW WELL IN NON- PRODUCING AREA BY 6/12/13, OR RELEASE ALL NON- PRODUCING ACREAGE. IF THEY DO SO, THEY MUST SPUD THE WELL BY 9/11/13 OR FORFEIT THE NON- PRODUCING ACREAGE. OTHERWISE HBP IN 2 UNITS
04218		LAWSON	12900 RA SUA,RH SCHUH ETAL 02/22/2000 660-N 00-83	13.2	42	OCT. AR 9/23/13 AJL HBP FROM ONE UNIT
04917		OPELOUSAS	C 2 RH SUA;W H JARRELL 01/01/1977	7	19.42	OCT. AR 9/23/13 SR - HBP 1 UNIT
15346		MONCRIEF	28.823 11/13/1998	13.177	13.177	OCT. AR TC TITLE DISPUTE 9/23/13 SR - 100% HBP 2 PRODUCING UNITS ROYALTY REVENUE WITHHELD. TITLE DISPUTE.
15350		MONCRIEF	12.501 11/13/1998	3.499	3.499	OCT. AR TC TITLE DISPUTE 9/23/13 SR - 100% HBP 1 PRODUCING UNIT. ROYALTY REVENUE WITHHELD. TITLE DISPUTE.
15354		MONCRIEF	AUS C RA SUQ;TURNER 22	34	34	OCT. AR TC TITLE DISPUTE 9/23/13 SR - 100% HBP 1

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: October 10, 2013 9:02 AM

District Code 3S Lake Charles- South  
Get Review Date

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			02/01/1997			PRODUCING UNIT. ROYALTY REVENUE WITHHELD. TITLE DISPUTE.
15774		GILLIS-ENGLISH BAYOU	9.44 12/06/2004	33.66	33.66	OCT. AR 9/23/13 SR - 100% HBP. ACREAGE HELD BY PRODUCTION FROM 1 UNITS
16505		FENTON, WEST , WILDCAT-SO LA LAFAYETTE DIST	HBV RB SUA;J D FOLLEY ETUX 1448-C	6.638	6.638	OCT. AR 9/23/13 SR - 100% HBP. ACREAGE HELD FROM 1 PRODUCNG UNITS.
18646		LAKE ARTHUR, SOUTHWEST	45.859 09/14/2007	126.681	126.681	OCT. AR 9/23/13 SR - 100% HBP 1 PRODUCING UNIT
18887		LAKE ARTHUR, SOUTHWEST	11.986 04/22/2009	34.014	34.014	OCT. AR 9/23/13 SR - 100% HBP 1 PRODUCING UNIT
19072		GRAND CHENIERE	86.409 09/03/2009	21.591	21.591	OCT. AR 9/23/13 SR - 100% HBP 1 PRODUCING UNIT
19354		MALLARD BAY	167.875 08/12/2011	84.259	84.259	OCT. AR 9/23/13 SR - 100% HBP 1 PRODUCING UNIT
20672		HARMONY CHURCH	U WX RA SUA;MERIWETHER 01/04/2012 1120-H 12-4	25.62	25.62	OCT. PT 7/13/14 9/23/13 SR - 100% HBP 1 PRODUCING UNIT, 25.62 AC./UNIT SURVEY PLAT
20673				0	27	OCT. PT 7/13/14 9/23/13 SR RENTAL PAID TO 7/14.
20674				0	7	OCT PT 7/13/14 9/23/13 SR/AJL RENTAL PAID TO 7/14
20675				0	62	OCT. PT 7/13/14 9/23/13 SR RENTAL PAID TO 7/14
20980		HARMONY CHURCH	U WX RA SUA;MERIWETHER 01/04/2012 1120-H 12-4	.24	89	OCT PT 7/11/15 9/23/13 SR RENTAL PAID TO 7/14
20981				0	113	OCT. PT 7/11/15 9/23/13 SR RENTAL PAID TO 7/14
<b>139</b>				<b>55,066.538</b>	<b>88,410.396</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 **9:45 a.m.** on Wednesday, **October 9, 2013** with the following members of the Board in attendance:

Mr. Stephen Chustz	Mr. Emile B. Cordaro	Mr. Dan R. Brouillette
Mr. Robert M. Morton	Mr. Thomas W. Sanders	Mr. Darryl D. Smith
Mr. Paul Segura, Jr.		Mr. Thomas L. Arnold, Jr.

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the December 11, 2013 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Arnold**, duly seconded by **Mr. Chustz**, 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. Chustz**, seconded by **Mr. Sanders**, voted to adjourn at **9:46 a.m.**

Respectfully Submitted,

by E.B.

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. Chutz*, the following Resolution was offered and adopted:

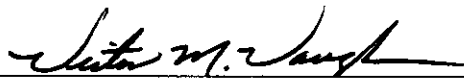
**WHEREAS**, Mr. Emile Fontenot presented to the State Mineral and Energy Board that 45 tracts had been nominated for the December 11, 2013 Mineral Lease Sale, and that same are to be advertised pending staff review; now therefore

**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 October 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, October 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:

Thomas L. Arnold, Jr.  
Dan R. Brouillette  
Stephen Chustz

Emile B. Cordaro  
Robert "Michael" Morton  
Thomas W. Sanders

W. Paul Segura, Jr.  
Darryl D. Smith

Mr. Thomas L. Arnold, Jr. convened the Committee at 9:46 a.m.

The first matter considered by the Committee was a penalty waiver request from Energy Partners, Ltd.

Upon recommendation of the staff and upon motion of Mr. Cordaro, seconded by Mr. Brouillette, the Committee voted unanimously to approve the 75% penalty waiver of \$19,748.27.

The second matter considered by the Committee was a penalty waiver request from Hilcorp Energy Company.

Upon recommendation of the staff and upon motion of Mr. Cordaro, seconded by Mr. Sanders, the Committee voted unanimously to approve the 75% penalty waiver of \$85,272.89.

The third matter considered by the Committee was a penalty waiver request from Hilcorp Energy Company.

Staff recommended a 50% penalty waiver of \$29,266.19. Joe Irving, representing Hilcorp Energy Company, addressed the Board to request an additional penalty be waived. Upon motion of Mr. Cordaro, seconded by Mr. Brouillette, with one objection by Mr. Sanders, the Committee voted unanimously to approve a 75% penalty waiver of \$43,899.28.

The fourth matter considered by the Committee was a penalty waiver request from Hilcorp Energy Company.

Staff recommended a 50% penalty waiver of \$232,325.87. Joe Irving, representing Hilcorp Energy Company, addressed the Board to request an additional penalty be waived. Upon motion of Mr. Cordaro, seconded by Mr. Smith, with one objection by Mr. Sanders, the Committee voted unanimously to approve a 75% penalty waiver of \$348,488.80.

The fifth matter considered by the Committee was a penalty waiver request from Harvest Group, LLC.

Staff recommended a 50% penalty waiver of \$10,152.94. Upon motion of Mr. Sanders, seconded by Mr. Smith, the Committee voted unanimously to approve a 100% penalty waiver of \$20,305.88.

The sixth matter considered by the Committee was a penalty waiver request from Petrohawk Energy, LLC.

Staff previously approved a 75% reduction in the amount of \$516.70 on July 16, 2013 and therefore recommended no further reduction in penalty. Upon motion of Mr. Brouillette, seconded by Mr. Sanders, the Committee voted unanimously to approve an additional 25% penalty waiver of \$172.23 resulting in a 100% penalty waiver of \$688.93.

The seventh matter considered by the Committee was a penalty waiver request from Petrohawk Energy, LLC.

Staff previously approved a 75% reduction in the amount of \$2,812.30 on July 16, 2013 and therefore recommended no further reduction in penalty. Upon motion of Mr. Cordaro, seconded by Mr. Smith, with one objection by Mr. Chustz, the Committee voted unanimously to approve an additional 25% penalty waiver of \$937.43 resulting in a 100% penalty waiver of \$3,749.73.


The eighth matter considered by the Committee was the Hilcorp Compression Deduction request of which Hilcorp will no longer pursue.

Upon recommendation of the staff and upon motion of Mr. Chustz, seconded by Mr. Smith, the Committee voted unanimously to remove this item from the agenda.

The ninth matter considered by the Committee was the election of the October 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. Chustz, 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. Cordaro, seconded by Mr. Brouillette, the following Resolution was offered and adopted:

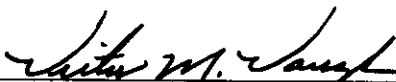
**WHEREAS**, Energy Partners, Ltd. has made a letter application for reduction of penalties assessed in the amount of \$26,331.03 due to late royalty payments in Breton Sound Block 18 (1880), Breton Sound Block 32 (1904), Lake Fortuna (5330), Main Pass Block 21 (6335), and Main Pass Block 25 (6363); State Leases 1227, 15536, 16386, 16432, 16442, 16543, 16594, 16692, and 16819; and

**WHEREAS**, the Mineral Income Division has verified that the underpayment of royalties was discovered and paid by Energy Partners, Ltd. and does recommend that a portion of the penalty be waived;

**THEREFORE, BE IT RESOLVED** that the Board does waive seventy-five percent (75%), which amounts to \$19,748.27 of the total penalty assessed to Energy Partners, Ltd.

## 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 October 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

## AUDIT COMMITTEE

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

**WHEREAS**, Harvest Group, LLC has made a letter application for reduction of penalties assessed in the amount of \$20,305.88 due to late royalty payments in South Pass Block 24 (8453); State Lease 998; and

**WHEREAS**, the Mineral Income Division has verified that the underpayment of royalties was discovered and paid by Harvest Group, LLC and does recommend that a portion of the penalty be waived;


**WHEREAS**, the Mineral Income Division staff recommends that a fifty percent (50%) of the penalty be waived; and

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

**THEREFORE, BE IT RESOLVED** that the Board does waive one hundred percent (100%), which amounts to \$20,305.88 of the total penalty assessed to Harvest Group, LLC.

## 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 October 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

## AUDIT COMMITTEE

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

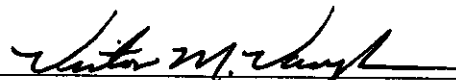
**WHEREAS**, Hilcorp Energy Company has made a letter application for reduction of penalties assessed in the amount of \$113,697.18 due to late royalty payments in Burrwood (2120), Calillou Island (2184), Deep Lake (3210), Duck Lake (3444), Hog Bayou-Offshore (4529), Lafitte (4989), Lake Barre (5083), Lake Pelto (5551), Lake Washington (5759), South Pass Block 24 (8453), West Bay (9309), and West Delta Block 83 (9605); State Leases A0005, B9946, 00188, 00192, 00199, 00301, 00356, 00451, 00711, 01170, 01247, 01249, 01392, 01464, 01922, 02104, 02340, 02565, 02856, 03090, 19477, 20008, and 20456; and

**WHEREAS**, the Mineral Income Division has verified that the underpayment of royalties was discovered and paid by Hilcorp Energy Company and does recommend that a portion of the penalty be waived;

**THEREFORE, BE IT RESOLVED** that the Board does waive seventy-five percent (75%), which amounts to \$85,272.89 of the total penalty assessed to Hilcorp Energy Company.

## 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 October 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

### AUDIT COMMITTEE

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

**WHEREAS**, Hilcorp Energy Company has made a letter application for reduction of penalties assessed in the amount of \$58,532.38 due to late royalty payments in Calillou Island (2184), Deep Lake (3210), Duck Lake (3444), Hog Bayou-Offshore (4529), Lafitte (4989), Lake Barre (5083), Lake Pelto (5551), Lake Washington (5759), South Pass Block 24 (8453), West Bay (9309), and West Delta Block 83 (9605); State Leases A0005, 00188, 00192, 00199, 00301, 00356, 00451, 00711, 01170, 01247, 01249, 01392, 01464, 01922, 02104, 02340, 02856, 03090, 19477, 20008, and 20456; and

**WHEREAS**, the Mineral Income Division has verified that the underpayment of royalties was discovered and paid by Hilcorp Energy Company and does recommend that a portion of the penalty be waived;

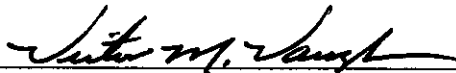
**WHEREAS**, the Mineral Income Division staff recommends that a fifty percent (50%) of the penalty be waived; and

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

**THEREFORE, BE IT RESOLVED** that the Board does waive seventy-five percent (75%), which amounts to \$43,899.28 of the total penalty assessed to Hilcorp Energy Company.

### 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 October 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

### AUDIT COMMITTEE

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

**WHEREAS**, Hilcorp Energy Company has made a letter application for reduction of penalties assessed in the amount of \$464,651.74 due to late royalty payments in Calillou Island (2184), Deep Lake (3210), Duck Lake (3444), Hog Bayou-Offshore (4529), Lafitte (4989), Lake Barre (5083), Lake Pelto (5551), Lake Washington (5759), South Pass Block 24 (8453), West Bay (9309), and West Delta Block 83 (9605); State Leases A0005, 00188, 00192, 00199, 00301, 00356, 00451, 00711, 01170, 01247, 01249, 01392, 01464, 01922, 02104, 02340, 02856, 03090, 19477, 20008, and 20456; and

**WHEREAS**, the Mineral Income Division has verified that the underpayment of royalties was discovered and paid by Hilcorp Energy Company and does recommend that a portion of the penalty be waived;


**WHEREAS**, the Mineral Income Division staff recommends that a fifty percent (50%) of the penalty be waived; and

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

**THEREFORE, BE IT RESOLVED** that the Board does waive seventy-five percent (75%), which amounts to \$348,488.80 of the total penalty assessed to Hilcorp Energy Company.

### 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 October 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

## AUDIT COMMITTEE

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

**WHEREAS**, Petrohawk Energy, LLC has made a letter application for reduction of penalties assessed in the amount of \$688.93 due to late royalty payments in Elm Grove (3608), Red River-Bull Bayou (7651), and Swan Lake (8823); State Leases 16035, 18503, 19758, 19759, 19764, 19782, and 20445; and

**WHEREAS**, the Mineral Income Division has verified that the underpayment of royalties was discovered and paid by Petrohawk Energy, LLC; and

**WHEREAS**, the Mineral Income Division staff recommends no further reduction in penalty above the 75% reduction approved by staff on July 16, 2013; and

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

**THEREFORE, BE IT RESOLVED** that the Board does waive an additional twenty-five percent (25%) resulting in a one hundred percent (100%) penalty waiver of \$688.93 assessed to Petrohawk Energy, LLC.

## 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 October 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

### AUDIT COMMITTEE

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

**WHEREAS**, Petrohawk Energy, LLC has made a letter application for reduction of penalties assessed in the amount of \$3,749.73 due to late royalty payments in Cedar Grove (2428), Elm Grove (3608), Red River-Bull Bayou (7651), Sligo (8358), and Swan Lake (8823); State Leases 16035, 18503, 19349, 19756, 19758, 19759, 19764, 19782, 20354, and 20445; and

**WHEREAS**, the Mineral Income Division has verified that the underpayment of royalties was discovered and paid by Petrohawk Energy, LLC; and

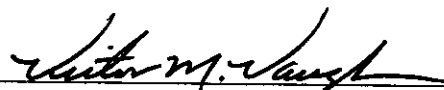
**WHEREAS**, the Mineral Income Division staff recommends no further reduction in penalty above the 75% reduction approved by staff on July 16, 2013; and

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

**THEREFORE, BE IT RESOLVED** that the Board does waive an additional twenty-five percent (25%) resulting in a one hundred percent (100%) penalty waiver of \$3,749.73 assessed to Petrohawk Energy, LLC.

### 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 October 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 October 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:

Secretary Stephen Chustz  
Mr. Emile B. Cordaro  
Mr. Darryl David Smith  
Mr. Thomas L. Arnold, Jr.  
Mr. Robert "Michael" Morton

Mr. Thomas W. Sanders  
Mr. W. Paul Segura, Jr.  
Mr. Dan R. Brouillette  
Mr. Chip Kline  
*(for Garret Graves, Governor's Designee)*

The Legal and Title Controversy Committee was called to order by Mr. Sanders at 10:20 a.m.

The first matter considered by the Committee was a request by Vernon E. Faulconer, Inc, for consent from the Board to suspend direct payments and to escrow said payment attributable to the disputed acreage of State owned lands (Bayou Nezpique) in the U WX RE SUA Unit in the Reddell Field in Evangeline Parish, Louisiana.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Committee voted unanimously to recommend that the State Mineral and Energy Board allow Vernon E. Faulconer, Inc. to escrow the amounts attributable to the disputed acreage in an interest bearing bank account with a bank in good financial standing with a presence in Louisiana and insured by the FDIC, subject to the standard OMR escrow requirements for a period of ninety (90) days commencing October 9, 2013. No comments were made by the public.

The second matter considered by the Committee was a request by Texas Petroleum Investment Company (TPIC) for authority to negotiate with the Staff for an Operating Agreement covering a portion of former State Lease No. 4409, containing 78.01 acres, and identified as Tract 3 in the 10200 RA SUA, Breton Sound Block 20 Field, Plaquemines Parish, Louisiana, and that the acreage in question be deemed unavailable for leasing until January 8, 2014, or until an operating agreement is confected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first.

Upon recommendation of the staff and upon motion of Mr. Brouillette, seconded by Mr. Lambert, the Committee voted unanimously to recommend that the State Mineral

and Energy Board grant Staff the authority to negotiate with TPIC for an operating agreement on the aforementioned area, and that the acreage in question be deemed unavailable for leasing until January 8, 2014, or until an operating agreement is confected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first. No comments were made by the public.

The third matter considered by the Committee was a request by Texas Petroleum Investment Company (TPIC) for authority to negotiate with the Staff for an Operating Agreement covering a separate portion of former State Lease No. 4409 mentioned in item 2 above, containing 370.99 acres, surrounded by the State Lease No. 4409 #6 well, in the Breton Sound Block 20 Field, Plaquemines Parish, Louisiana, and that the acreage in question be deemed unavailable for leasing until January 8, 2014, or until an operating agreement is confected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Staff the authority to negotiate with TPIC for an operating agreement on the aforementioned area, and that the acreage in question be deemed unavailable for leasing until January 8, 2014, or until an operating agreement is confected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first. No comments were made by the public.

The fourth matter considered by the Committee was a request by Black Elk Energy Offshore Operations, LLC, on behalf of Merit Management Partners I, LP, et al, for a waiver of all of the liquidated damage assessment (\$1,000.00) levied on the late assignment of State Lease No. 340, Lighthouse Point Field, Iberia, St. Mary and Vermilion Parishes, Louisiana.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Brouillette, the Committee voted unanimously to recommend that the State Mineral and Energy Board not grant a waiver of all of the liquidated damage assessment (\$1,000.00) levied on the late assignment of State Lease No. 340, Lighthouse Point Field, Iberia, St. Mary and Vermilion Parishes, Louisiana. No comments were made by the public.

The fifth matter considered by the Committee was a request by Petrohawk Operating Company for an additional ninety (90) days beyond the previously granted extension of time by the Board at the July 10, 2013 meeting, to negotiate for an Operating Agreement, covering approximately 80.00 state claimed acres situated within the Petrohawk HA RA SUY, located in Section 19, Township 15 North, Range 10 West, Swan Lake Field, Bossier Parish, Louisiana, and that the acreage in question be deemed unavailable for leasing until January 8, 2014, or until an operating agreement is confected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first.

Upon motion of Mr. Arnold, seconded by Mr. Chustz, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Petrohawk Operating Company a one (1) month extension of time until November 13, 2013, or until an operating agreement is perfected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first. No comments were made by the public.

The sixth matter considered by the Committee was a request by Hilcorp Energy Company for authority to negotiate with Staff for a Reservoirwide Waterflood Unit Agreement for the 17 MKR-5 RA SU, in the West Delta Block 52 Field, Plaquemines Parish, Louisiana.

Upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Staff the authority to negotiate with Hilcorp Energy Company for a Reservoirwide Waterflood Unit Agreement for the 17 MKR-5 RA SU, in the West Delta Block 52 Field, Plaquemines Parish, Louisiana. No comments were made by the public.

Upon motion of Mr. Brouillette, seconded by Mr. Arnold, the Committee voted unanimously to go into Executive Session at 10:35 A.M.

Upon motion of Mr. Arnold, seconded by Mr. Chustz, the Committee voted unanimously to return to Open Session at 10:57 A.M.

The seventh matter considered by the Committee was a discussion in executive session of the suit entitled: Hall Ponderosa, LLC v. State, Docket No. 35585, 39th Judicial District Court, Red River Parish.

Upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant the Attorney General's office authority to negotiate a possible settlement of this matter. No comments were made by the public.

The eighth matter considered by the Committee was a discussion in executive session of the suit entitled: Dupree Tractor Co., Inc., et al, v. State, Docket No. 35629, 39th Judicial District Court, Red River Parish.

Upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant the Attorney General's office authority to negotiate a possible settlement of this matter. No comments were made by the public.

The ninth matter considered by the Committee was a discussion in executive session of the suits entitled:

Leon K. Poche, et al. v. The Louisiana State Mineral Board, et al., Docket No. 584,949, Section 26, 19<sup>th</sup> Judicial District Court, East Baton Rouge Parish

Petrohawk Operating Co. v. Albritton Cattle Co., LLC, et al., Docket No. 588,123, Section 22, 19<sup>th</sup> Judicial District Court, East Baton Rouge Parish

Petrohawk Operating Co. v. Allbritton Cattle Co., L.L.C, et. al., Docket No. 588,124, Section 22, 19<sup>th</sup> Judicial District Court, East Baton Rouge Parish

Petrohawk Operating Co. v. Allbritton Cattle Co., L.L. C, et. al., Docket No. 588,125, Section 26, 19<sup>th</sup> Judicial District Court, East Baton Rouge Parish

Petrohawk Operating Co. v. Allbritton Cattle Co., L.L.C, et. al., Docket No. 588,126, Division D, 19<sup>th</sup> Judicial District Court, East Baton Rouge Parish

Petrohawk Operating Co. v. Allbritton Cattle Co., L.L.C, et. al., Docket No. 588,127, Section 22, 19<sup>th</sup> Judicial District Court, East Baton Rouge Parish

Upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant the Attorney General's office authority to negotiate a possible settlement of these suits. No comments were made by the public.

Upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Legal & Title Controversy Committee meeting was recessed to begin the State Mineral and Energy Board Meeting at 11:01 A.M.

Upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Legal & Title Controversy Committee meeting was resumed at 11:05 A.M.

Upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Legal & Title Controversy Committee meeting recessed for the Docket Review Committee to hold its regular meeting at 11:05 A.M.

Upon motion of Mr. Segura, seconded by Mr. Brouillette, the Committee voted unanimously to go back to resume the Legal & Title Controversy Committee meeting and went into Executive Session at 11:08 A.M.

Upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to return to Open Session at 12:36 P.M.

The tenth matter considered by the Committee was a written report by the Attorney General's Office on the Win or Lose Corporation pursuant to Resolution of the State Mineral and Energy Board dated May 9, 2012.

Upon motion of Mr. Arnold, seconded by Mr. Brouillette, with Mr. Sanders objecting, the Committee voted to recommend that the State Mineral and Energy Board accept the written report of the Attorney General and waive the Attorney/Client privilege and release the Attorney General's written report to the public.

Upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the State Mineral and Energy Board allow Ryan Seidemann to present a brief summary of his written report to the Board in open session. On request by the Board for public comment, comments were made by Norman Billiot and Keith Cressionnie.

Upon motion of Mr. Chustz, seconded by Mr. Smith, the Legal and Title Controversy Committee meeting adjourned at 1:24 p.m.

*Thomas W. Sanders* by *K.F.*

---

Mr. Thomas W. Sanders  
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. Brouillette, the following resolution was offered and unanimously adopted:

**WHEREAS**, a request was made by Vernon E. Faulconer, Inc, for consent from the Board to suspend direct payments and to escrow said payment attributable to the disputed acreage of State owned lands (Bayou Nezpique) in the U WX RE SUA Unit in the Reddell Field in Evangeline 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 allow Vernon E. Faulconer, Inc. to escrow the amounts attributable to the disputed acreage in an interest bearing bank account with a bank in good financial standing with a presence in Louisiana and insured by the FDIC, subject to the standard OMR escrow requirements for a period of ninety (90) days commencing October 9, 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 9th day of October, 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. Brouillette, seconded by Mr. Lambert, the following resolution was offered and unanimously adopted:

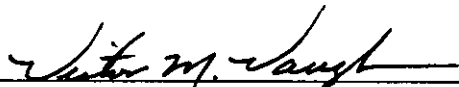
**WHEREAS**, a request was made by Texas Petroleum Investment Company (TPIC) for authority to negotiate with the Staff for an Operating Agreement covering a portion of former State Lease No. 4409, containing 78.01 acres, and identified as Tract 3 in the 10200 RA SUA, Breton Sound Block 20 Field, Plaquemines Parish, Louisiana, and that the acreage in question be deemed unavailable for leasing until January 8, 2014, or until an operating agreement is perfected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant Staff the authority to negotiate with TPIC for an operating agreement on the aforementioned area, and that the acreage in question be deemed unavailable for leasing until January 8, 2014, or until an operating agreement is perfected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 9th day of October, 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. Brouillette, the following resolution was offered and unanimously adopted:

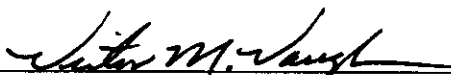
**WHEREAS**, a request was made by Texas Petroleum Investment Company (TPIC) for authority to negotiate with the Staff for an Operating Agreement covering a separate portion of former State Lease No. 4409 containing 370.99 acres, surrounded by the State Lease No. 4409 #6 well, in the Breton Sound Block 20 Field, Plaquemines Parish, Louisiana, and that the acreage in question be deemed unavailable for leasing until January 8, 2014, or until an operating agreement is confected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant Staff the authority to negotiate with TPIC for an operating agreement on the aforementioned area, and that the acreage in question be deemed unavailable for leasing until January 8, 2014, or until an operating agreement is confected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 9th day of October, 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. Segura, seconded by Mr. Brouillette, the following resolution was offered and unanimously adopted:

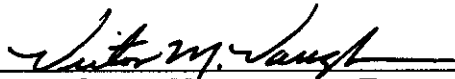
**WHEREAS**, a request was made by Black Elk Energy Offshore Operations, LLC, on behalf of Merit Management Partners I, LP, et al, for a waiver of all of the liquidated damage assessment (\$1,000.00) levied on the late assignment of State Lease No. 340, Lighthouse Point Field, Iberia, St. Mary and Vermilion Parishes, 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 not grant Black Elk Energy Offshore Operations, LLC's request for a waiver of all of the liquidated damage assessment (\$1,000.00) levied on the late assignment of State Lease No. 340, Lighthouse Point Field, Iberia, St. Mary and Vermilion Parishes, Louisiana.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 9th day of October, 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. Chustz, the following resolution was offered and unanimously adopted:

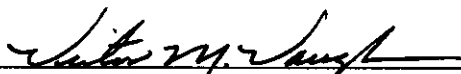
**WHEREAS**, a request was made by Petrohawk Operating Company for an additional ninety (90) days beyond the previously granted extension of time by the Board at the July 10, 2013 meeting, to negotiate for an Operating Agreement, covering approximately 80.00 state claimed acres situated within the Petrohawk HA RA SUY, located in Section 19, Township 15 North, Range 10 West, Swan Lake Field, Bossier Parish, Louisiana, and that the acreage in question be deemed unavailable for leasing until January 8, 2014, or until an operating agreement is confected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first;

**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 Petrohawk Operating Company a one (1) month extension of time until November 13, 2013, or until an operating agreement is confected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 9th day of October, 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. Brouillette, the following resolution was offered and unanimously adopted:

**WHEREAS**, a request was made by Hilcorp Energy Company for authority to negotiate with Staff for a Reservoirwide Waterflood Unit Agreement for the 17 MKR-5 RA SU, in the West Delta Block 52 Field, Plaquemines 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 grant Staff the authority to negotiate with Hilcorp Energy Company for a Reservoirwide Waterflood Unit Agreement for the 17 MKR-5 RA SU, in the West Delta Block 52 Field, Plaquemines Parish, Louisiana.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 9th day of October, 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. Brouillette, the following resolution was offered and unanimously adopted:

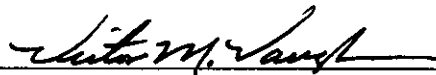
**WHEREAS**, a discussion in executive session of the suit entitled: Hall Ponderosa, LLC v. State, Docket No. 35585, 39th Judicial District Court, Red River Parish;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant the Attorney General's office authority to negotiate a possible settlement of this matter.

## 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 October, 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. Brouillette, the following resolution was offered and unanimously adopted:

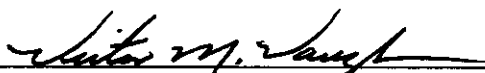
**WHEREAS**, a discussion in executive session of the suit entitled: Dupree Tractor Co., Inc., et al, v. State, Docket No. 35629, 39th Judicial District Court, Red River Parish;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant the Attorney General's office authority to negotiate a possible settlement of this matter.

## 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 October, 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. Brouillette, the following resolution was offered and unanimously adopted:

**WHEREAS**, a discussion in executive session of the suits entitled:

Leon K. Poche, et al. v. The Louisiana State Mineral Board, et al., Docket No. 584,949, Section 26, 19<sup>th</sup> Judicial District Court, East Baton Rouge Parish

Petrohawk Operating Co. v. Albritton Cattle Co., LLC, et al., Docket No. 588,123, Section 22, 19<sup>th</sup> Judicial District Court, East Baton Rouge Parish

Petrohawk Operating Co. v. Allbritton Cattle Co., L.L.C, et. al., Docket No. 588,124, Section 22, 19<sup>th</sup> Judicial District Court, East Baton Rouge Parish

Petrohawk Operating Co. v. Allbritton Cattle Co., L.L. C, et. al., Docket No. 588,125, Section 26, 19<sup>th</sup> Judicial District Court, East Baton Rouge Parish

Petrohawk Operating Co. v. Allbritton Cattle Co., L.L.C, et. al., Docket No. 588,126, Division D, 19<sup>th</sup> Judicial District Court, East Baton Rouge Parish

Petrohawk Operating Co. v. Allbritton Cattle Co., L.L.C, et. al., Docket No. 588,127, Section 22, 19<sup>th</sup> Judicial District Court, East Baton Rouge Parish

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant the Attorney General's office authority to negotiate a possible settlement of these suits.

## 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 October, 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. Brouillette, with Mr. Sanders objecting, the following resolution was offered and adopted:

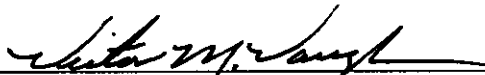
**WHEREAS**, a discussion in executive session was held regarding the written report by the Attorney General's Office on the Win or Lose Corporation pursuant to Resolution of the State Mineral and Energy Board dated May 9, 2012;

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

**NOW, BE IT THEREFORE RESOLVED** that the Committee recommends that the State Mineral and Energy Board accept the written report of the Attorney General and waive the Attorney/Client privilege and release the Attorney General's written report to the public and upon further motion of Mr. Arnold, seconded by Mr. Segura, the Committee recommends that the State Mineral and Energy Board allow Ryan Seidemann to present a brief summary of his written report to the Board in open session.

## 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 October, 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 11:02 a.m. on Wednesday, October 9, 2013. Board Members present were Mr. Stephen Chustz, DNR Secretary, Mr. W. Paul Segura, Jr., Mr. Thomas L. Arnold, Jr., Mr. Emile Cordaro, Mr. Thomas W. Sanders, Mr. Darryl D. Smith, Mr. Robert "Michael" Morton, Mr. Dan R. Brouillette 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 State Agency Lease A on page 1;

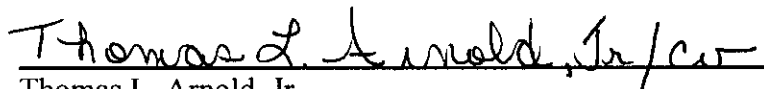
Approve all Assignments on pages 2 through 11; Docket Nos. 7 on page 4 would be approved subject to the approval of the Governor of Louisiana;

Approve the following item: Docket Item No. 13-31 on page 12.

Upon Motion of Mr. Sanders, 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. Sanders, and seconded by Mr. Segura, the committee voted unanimously to adjourn the meeting at 11:04 a.m.

Respectfully submitted,

  
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 Mr. Sanders, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the October 9, 2013 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Lafourche Parish Government, dated May 28, 2013, awarded to Square Mile Energy, L.L.C., covering lands located in Section 116, Township 15 South, Range 17 East, Lafourche Parish, Louisiana, containing 3.42 acres, more or less, with further contractual obligations being more enumerated in the instrument.

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Venture Exploration Corp., d/b/a Combined Resources Group to Toce Energy, L.L.C., of all of Assignor's right, title and interest in and to State Lease No 19354, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Toce Energy, L.L.C., an undivided 18.90% interest to the following in the proportions set out below.

TZO, LLC	4.50%
Ashland Minerals, LLC	4.50%
Stella Energy, LLC	2.70%
JAT Investments, LLC	2.70%
JBF 45, LLC	2.25%
Miss Evelyn, L.L.C.	2.25%

in and to State Lease No. 19354, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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


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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, 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 October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Toce Energy, L L C. to RIQ, LLC, an undivided 2% of 8/8ths right, title and interest in and to State Lease No. 19354, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

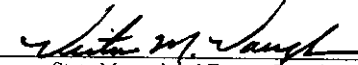
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Martin-Marks Minerals L.L.C., Marks Explorer LLC, W Oil LLC, Hew-Tex Oil & Gas Corporation, Stone Industries, Inc., Coquille Bay Investors III LLC, East Coquille Bay I L.L.C., Saxheim, LLC, Paladin Energy Corp., Delta Operating Corporation and Northlake Production, L.L.C. to Dimension Energy C.B., L.L.C., of all of Assignor's right, title and interest in and to State Lease No. 17236, Plaquemines Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers and affects that certain tract of land containing 170 acres, more or less, **FURTHER LIMITED TO** those depths from 10,030', being the stratigraphic equivalent of the base of the Tex L1 Sand (10,100' Sand), down to the subsurface depth of 10,854', with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9<sup>th</sup> day of October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from BTA Oil Producers, LLC to Hilcorp Energy I, L.P., of all of Assignor's right, title and interest in and to State Lease No. 7591, Port Hudson Field, East Baton Rouge, West Baton Rouge and East Feliciana Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

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

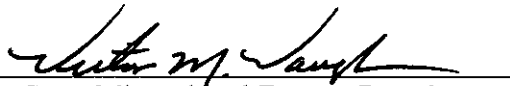
## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders, 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 October 9, 2013, Meeting be approved, said instrument being A Correction of Resolution No. 35 from the June 11, 2008 Meeting, being an Assignment from Theophilus Oil, Gas & Land Services, LLC to Camterra Resources Partners, Ltd., whereas said resolution incorrectly read..."Terrebonne Parish, Louisiana" and is hereby being corrected to read..."Caddo Parish, Louisiana, affecting State Lease No. 19295, Caddo 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 October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from Merit Management Partners I, L.P., Merit Management Partners II, L.P., Merit Management Partners III, L.P., Merit Energy Partners III, L.P., Merit Energy Partners D-III, L.P., Merit Energy Partner E-III, L.P. and Merit Energy Partners F-III, L.P. to Black Elk Energy Offshore Operating, LLC, of all of Assignor's right, title and interest in and to State Lease No. 340, Iberia, St. Mary and Vermilion Parishes, Louisiana, with further particulars being stipulated in the instrument

Black Elk Energy Offshore Operating, 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

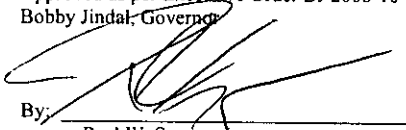
BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

### 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 October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from GMA Energy, L.C to Anderson Exploration Energy Company, L.C., of all of Assignor's working interest in and to State Lease No. 9600, Red River Parish, Louisiana, with further particulars being stipulated in the instrument.

Anderson Exploration Energy Company, 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 October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Armstrong Louisiana LLC to Chevron U.S.A. Inc., of all of Assignor's right, title and interest in and to State Lease Nos 19534, 19536, 19537, 19540 and 19547, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

Chevron U.S.A. 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.

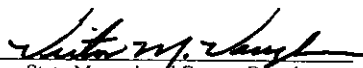
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Milagro Producing, LLC to John Timothy Edwards, of all of Assignor's right, title and interest in and to State Lease Nos. 7584, 11384, 11859 and 14531, Cameron, Jefferson Davis and Vermillion Parishes, Louisiana, with further particulars being stipulated in the instrument

Pioneer Exploration 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 October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Patrick L. Donohue Properties, Inc. to Dunn Exploration Company, LLC, of all of Assignor's right, title and interest in and to State Lease No. 21222, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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


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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Brammer Engineering, Inc to EXCO Operating Co, LP, of all of Assignor's right, title and interest in and to State Lease No. 9312, DeSoto and Red River Parishes, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease relates to lands located in Section 5, T14N, R12W, DeSoto Parish, Louisiana, with further particulars being stipulated in the instrument.

EXCO Operating Co, 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,

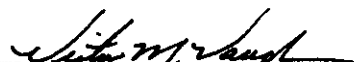
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 9th day of October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Huron Exploration, Inc to Premience Tepetate, L.L.C., of all of Assignor's right, title and interest in and to State Lease No 21057, Acadia and Jefferson Parishes, Louisiana, with further particulars being stipulated in the instrument.

Premience Tepetate, 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.

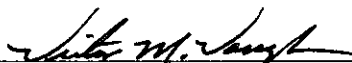
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being a Change of Name whereby Williams Production Company is changing its name to Williams Production Company, LLC, affecting State Lease No. 6760, DeSoto 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 October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Williams Production Company, LLC to Cohort Energy Company, of all of Assignor's right, title and interest in and to State Lease No 6760, DeSoto 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 October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Square Mile Energy, L.L.C. to Tri-C Resources, L.L.C., an undivided 37.5% interest in and to State Lease Nos. 20627 and 20645, Lafourche and St. Charles Parishes, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said leases cover lands that lie within the boundaries of the Augusta Contract Area depicted in yellow on the plat attached hereto as Exhibit "A-1", **AND** an undivided 37.5% interest in and to State Lease No. 20627, Lafourche Parish, Louisiana. **INSOFAR AND ONLY INSOFAR AS** said lease covers land that lies within the boundaries of the Sawgrass Contract Area depicted in yellow on the plat attached hereto as Exhibit "B-1", with further particulars being stipulated in the instrument.

Tri-C Resources, 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;

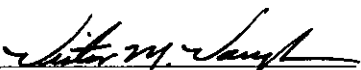
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas & Land Services, LLC to Empresa Energy, LLC, of all of Assignor's right, title and interest in and to State Lease No. 21204, Union Parish, Louisiana, with further particulars being stipulated in the instrument.

Empresa 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 non-signatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;

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

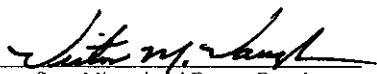
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Carla Petroleum, Inc. to Hamilton-Highland Exploration, LLC, of all of Assignor's right, title and interest in and to State Lease No 21038, Livingston Parish, Louisiana, with further particulars being stipulated in the instrument

Hamilton-Highland 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 9th day of October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Hamilton-Highland Exploration, LLC, of all of Assignor's right, title and interest to the following in the proportions set out below:

Hamilton WH Livingston LLC	90%
Highland (Texas) Energy Company	10%

in and to State Lease No. 21038, Livingston Parish, Louisiana, with further particulars being stipulated in the instrument.

Hamilton WH Livingston 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 October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Manti, LP to Walter Oil & Gas Corporation, of all of Assignor's right, title and interest in and to State Lease No. 21119, St Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

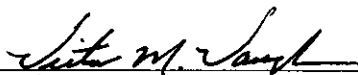
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9<sup>th</sup> day of October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being a Judgment of Possession and Amendment of Judgment of Possession of the Succession of Van Grigsby Johnston, whereas William Howard Johnston is hereby recognized as the surviving spouse of the Decedent, and as such the owner of an undivided 1/2 interest in and to all of the community property and Dillion Wright and Lane Arden Greer are hereby recognized as universal legatees of the Decedent and as owners are placed into possession in equal proportions, of the Decedent's undivided 1/2 interest in and to the community property and all her separate property, affecting State Lease Nos. 2524, 2918, 4041, 4043, 5567, 5568, 5685, 5779 and 6815, Caddo, Jefferson and St. Charles Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Lane Arden Greer to Ardenco, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos 2524, 2918, 4041, 4043, 5567, 5568, 5685, 5779 and 6815, Caddo, Jefferson and St. Charles Parishes, Louisiana, with further particulars being stipulated in the instrument.

Ardenco, 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 October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Dillon Wright to Wright Mineral Interests, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos 2524, 2918, 4041, 4043, 5567, 5568, 5685, 5779 and 6815, Caddo, Jefferson and St. Charles Parishes, Louisiana, with further particulars being stipulated in the instrument

Wright Mineral Interests, 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 October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Bright & Company I, Ltd of all of Assignor's right, title and interest to the following in the proportions set out below:

Reeder Energy Partners, LP	25%
HRB Oil & Gas, Ltd	25%

in and to State Lease No. 15683, Plaquemines 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 9<sup>th</sup> day of October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being an Assignment from Bright & Company I, Ltd., of all of Assignor's right, title and interest to the following in the proportions set out below:

Reeder Energy Partners, LP	25%
HRB Oil & Gas, Ltd	25%

in and to State Lease No. 12806, Plaquemines 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 October, 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 Mr. Sanders 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 October 9, 2013 Meeting be approved, said instrument being a Change of Name whereas Dynamic Offshore Resources, LLC is changing its name to Sandridge Energy Offshore, LLC, affecting State Lease No. 3770, 12806, 14519, 14520, 14912, 14914, 14915, 14953, 14954, 15683, 16735, 16736, 16737, 16738, 16859, 17674, 17675, 17942, 18287, 19155, 19269, 19299, 19397, 19411, 19718, 17931 and 19746, Cameron, Iberia, Plaquemines, St Martin and St Mary Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

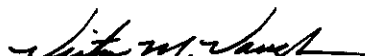
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

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

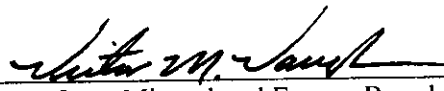
On motion of Mr. Sanders, seconded by Mr. Segura, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13-31 from the October 9, 2013, Meeting be approved, said instrument being a Unitization Agreement by and between the State Mineral Board, for and on behalf of the State of Louisiana, Tana Exploration Company LLC, Sandridge Energy Offshore, LLC, LLOG Exploration Offshore, L.L.C., LLOG Exploration Company, L.L.C. and LLOG Bluewater Holdings, L.L.C., to create a 375 acre unit, more or less, identified as the "**Tana Exploration Company, LLC Voluntary Unit**", with 153.55 acres being attributable to State Lease No. 19718 and the remaining acreage being attributable to Federal Lands, Breton sound Block 25, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### CERTIFICATE

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