

MINUTES

STATE MINERAL AND ENERGY BOARD

LEASE SALE
AND
BOARD MEETING

June 11, 2025

TYLER PATRICK GRAY
SECRETARY

DUSTIN H. DAVIDSON
DEPUTY SECRETARY



MARK NORMAND, JR.
UNDERSECRETARY

MANNY ACOSTA
OIL SPILL COORDINATOR

KEITH O. LOVELL
ASSISTANT SECRETARY
COASTAL MANAGEMENT

AMANDA MCCLINTON
ASSISTANT SECRETARY
ENERGY

ANDREW B. YOUNG
ASSISTANT SECRETARY
MINERAL RESOURCES

STEVEN M. GIAMBRONE
INTERIM DIRECTOR
CONSERVATION

DEPARTMENT OF ENERGY AND NATURAL RESOURCES

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

June 11, 2025

LADIES and GENTLEMEN:

Certified proofs of publication have been received in the Office of Mineral Resources on behalf of the State Mineral and Energy Board for the State of Louisiana from the "Advocate," official journal for the State of Louisiana, and from the respective parish journals as evidence that Tract Nos. **45932** through **45942** 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,

Greg Roberts
Petroleum Lands Director

TYLER PATRICK GRAY
SECRETARY

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OPENING OF BIDS

June 11, 2025

A public meeting for the purpose of opening sealed bids was held on Wednesday, June 11, 2025, beginning at 8:30 a.m.

Angela Patterson, Land Specialist in the Energy Lands Division of the Office of Mineral Resources, presided over the meeting.

Ms. Patterson read the letters of notification certifying the legal sufficiency of the advertisement of Tract Nos. 45932 through 45942 which were published for today's lease sale.

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

Tract 45932

(Portion: 9.200 acres)

<u>Bidder:</u>	Cantium, LLC
<u>Primary Term:</u>	Five (5) years
<u>Cash Payment:</u>	\$2,309.20
<u>Annual Rental:</u>	\$1,154.60
<u>Royalties:</u>	20% on oil and gas 20% on other minerals
<u>Additional Consideration:</u>	None

Tract 45933

(Entire: 204.860 acres)

<u>Bidder:</u>	Cantium, LLC
<u>Primary Term:</u>	Five (5) years
<u>Cash Payment:</u>	\$41,484.15
<u>Annual Rental:</u>	\$20,742.08
<u>Royalties:</u>	20% on oil and gas 20% on other minerals
<u>Additional Consideration:</u>	None

Tract 45934
(Entire: 55.000 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$137,500.00
<u>Annual Rental:</u>	\$68,750.00
<u>Royalties:</u>	25% on oil and gas 25% on other minerals
<u>Additional Consideration:</u>	None

Tract 45935
(Entire: 8.874 acres)

<u>Bidder:</u>	Stamper, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$22,673.07
<u>Annual Rental:</u>	\$11,336.54
<u>Royalties:</u>	23.5% on oil and gas 23.5% on other minerals
<u>Additional Consideration:</u>	None

Tract 45937(1)
(Portion: 10.148 acres)

<u>Bidder:</u>	Chesapeake Louisiana, LP
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$31,458.80
<u>Annual Rental:</u>	\$15,729.40
<u>Royalties:</u>	25% on oil and gas 25% on other minerals
<u>Additional Consideration:</u>	None

Tract 45937(2)
(Entire: 35.9707 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$147,479.87
<u>Annual Rental:</u>	\$73,739.94
<u>Royalties:</u>	25.2% on oil and gas 25.2% on other minerals
<u>Additional Consideration:</u>	None

Tract 45938(1)
(Entire: 2.565 acres)

<u>Bidder:</u>	Chesapeake Louisiana, LP
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$7,951.50
<u>Annual Rental:</u>	\$3,975.75
<u>Royalties:</u>	25% on oil and gas 25% on other minerals
<u>Additional Consideration:</u>	None

Tract 45938(2)
(Entire: 2.565 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$10,516.50
<u>Annual Rental:</u>	\$5,258.25
<u>Royalties:</u>	25.2% on oil and gas 25.2% on other minerals
<u>Additional Consideration:</u>	None

Tract 45939
(Entire: 0.389 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$1,594.90
<u>Annual Rental:</u>	\$797.45
<u>Royalties:</u>	25.2% on oil and gas 25.2% on other minerals
<u>Additional Consideration:</u>	None

Tract 45940
(Entire: 72.7867 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$298,425.47
<u>Annual Rental:</u>	\$149,212.74
<u>Royalties:</u>	25.2% on oil and gas 25.2% on other minerals
<u>Additional Consideration:</u>	None

Tract 45941

(Entire: 247.0852 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$803,026.90
<u>Annual Rental:</u>	\$401,513.45
<u>Royalties:</u>	25% on oil and gas 25% on other minerals
<u>Additional Consideration:</u>	None

Tract 45942

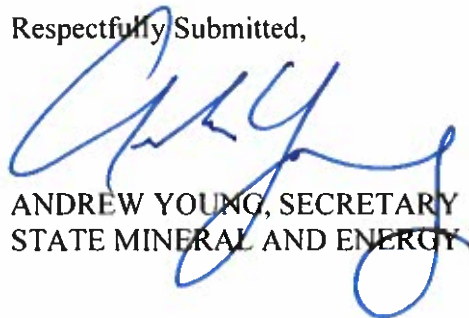
(Entire: 203.289 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$508,222.50
<u>Annual Rental:</u>	\$254,111.25
<u>Royalties:</u>	22.5% on oil and gas 22.5% on other minerals
<u>Additional Consideration:</u>	None

This concluded the reading of the bids.

There being no further business, the Opening of the Bids Meeting was concluded at 8:48 a.m.

Respectfully Submitted,



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD

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REGULAR MEETING JUNE 11, 2025

The Regular Meeting of the State Mineral and Energy Board was held on Wednesday, June 11, 2025, beginning at 9:30 a.m. in the LaBelle Room of the LaSalle Building, 617 N. 3rd Street, First Floor, Baton Rouge, Louisiana.

I. Call to Order

Mr. Sidney W. Degan, III, Chairman of the State Mineral and Energy Board, called the meeting to order.

II. Roll Call

The Chairman then requested a roll call for the purpose of establishing a quorum.

Sidney W. Degan, III, Chairman
J. Todd Hollenshead, Vice-Chairman (*left after Executive Session*)
Andrew Young, Secretary Gray's Designee
Robert D. Watkins
Magnus J. "Jake" Arceneaux IV
Matthew G. Moncla

The following members were recorded as absent:

Benjamin C. Bienvenu
Billy A. Busbice, Jr.
Clifton Dale Sittig
Charles W. "Wes" Shepherd Sr.
Richard A. Nelson, Governor Landry's Designee

The Chairman announced that a quorum was established.

III. Pledge of Allegiance

The Chairman led the Board in reciting the Pledge of Allegiance to the Flag of the United States of America.

IV. Approval of the May 14, 2025 Minutes

The Chairman stated that the next order of business was the approval of the May 14, 2025 Minutes.

A motion was made by Mr. Hollenshead adopt the May 14, 2025 Minutes as submitted, and to waive reading said minutes in entirety. His motion was seconded by Mr. Watkins and unanimously adopted by the Board. No public comments were made at this time.

V. Staff Reports

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

- a) Lease Review Report – Presented by Jason Talbot, Petroleum Scientist Manager, Geology and Engineering Division
- b) Audit Report – Presented by Taletha Shorter, Audit Director, Mineral Income Division
- c) Nomination and Tract Report – Presented by Greg Roberts, Energy Lands Director, Energy Lands Division
- d) Legal and Title Controversy Report – Presented by Greg Roberts, Energy Lands Director, Energy Lands Division

** Resolutions are in chronological order at the end of the minutes.*

a) LEASE REVIEW REPORT

June 11, 2025
(Resolution No. 25-06-001)

I. GEOLOGICAL AND ENGINEERING STAFF REVIEW

According to the SONRIS database, there are 951 active State Leases containing approximately 406,583 acres. Since the last Lease Review Report, the Geological and Engineering Division reviewed 97 leases covering approximately 17,713 acres for lease maintenance and development.

II. BOARD REVIEW

1. Mr. Jason Talbot with the Office of Mineral Resources (OMR Staff) gave a report to the Board on Henergy Caddo Pine Island LLC (Henergy), Lessee and Field Operator, State Lease 173, Caddo Pine Island Field, Caddo Parish

At the February 12, 2025 meeting, the State Mineral and Energy Board (Board) deferred this matter for sixty (60) days in order for OMR Staff and Henergy to further discuss Henergy's lease development and plug and abandonment obligations and the release of non-productive acreage.

At the May 14, 2025 meeting, the Board deferred this matter for an additional thirty (30) days to allow additional time for OMR Staff and Henergy to meet and further discuss this matter and report back to the Board at its next meeting to be held on June 11, 2025.

In lieu of a meeting, OMR Staff forwarded a letter to Henergy dated June 4, 2025, outlining prior Board resolutions where Henergy was required to a) release acreage; b) account for lease development since acquiring the lease as well as future plans; and c) conduct well plug and abandonment activities.

The letter afforded Henergy the opportunity to reply to OMR's letter by June 30, 2025 after which time OMR Staff would make its recommendation to the Board at a future meeting.

OMR Staff provided a copy of the June 4, 2025 letter to the Board and recommended that the Board approve the requirements outlined in the letter.

Upon motion of Mr. Moncla, seconded by Mr. Young and by unanimous vote of the Board, the Board approved the requirements outlined in the June 4, 2025 letter to Henergy and that Henergy provide all responsive information to OMR Staff by June 30, 2025 to allow OMR Staff the opportunity to review and prepare a recommendation to the Board at a future meeting. **(Resolution No. 25-06-001)**

III. FORCE MAJEURE

There were no Force Majeure items brought before the Board.

b) AUDIT REPORT
June 11, 2025
(Resolution No. 25-06-002)

The Board heard the report of Ms. Taletha Shorter, Audit Director, on Wednesday, June 11, 2025, relative to the following:

As of May 31, 2025, field audit collections totaled \$865,478.93 which includes \$807,644.89 in royalty exceptions and \$57,834.04 in interest. In the month of May, 3 audits were closed. The current number of open royalty audits is 30.

Royalties collected in May 2025 totaled \$11,292,360.43. Fiscal Year to Date totaled \$127,804,911.07, as compared to last year's Fiscal Year to Date Royalties of \$147,487,724.22 as of May 31, 2024.

Monthly state royalty reports submitted in May totaled 214 which include 78 SR1s for oil, 119 SR2s for gas and 17 SR5s for plant products.

Items on the report were as follows:

1. Staff report to the Board that the election for June 2025 gas royalty is to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

Upon motion of Mr. Arceneaux, seconded by Mr. Watkins, the Board voted unanimously to acknowledge and approve the election of the June 2025 gas royalty to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement. **(Resolution No. 25-06-002)**

c) NOMINATION AND TRACT REPORT

June 11, 2025
(Resolution No. 25-06-003)

The Board heard the report of Mr. Greg Roberts on Wednesday, June 11, 2025, relative to nominations received in the Office of Mineral Resources for the August 13, 2025 Mineral Lease Sale and other matters as follows:

I. PRESENT LEASE SALE

- A. Approval by the State Mineral and Energy Board (Board) was previously granted to the Staff of the Office of Mineral Resources (OMR) to process and advertise the eleven (11) tracts that were nominated for the June 11th, 2025 Mineral Lease Sale.

By comparison, OMR received seventeen (17) nominations for advertisement concerning the June 11, 2024 Mineral Lease Sale.

II. FUTURE LEASE SALE

- A. Five (5) nominations for advertisement were received by OMR for the August 13, 2025 Mineral Lease Sale.

Staff recommended that the Board grant authority to advertise the five (5) nominations received by OMR for the August 13, 2025 Mineral Lease Sale.

Based upon Staff's recommendation, and on motion of Mr. Moncla, seconded by Mr. Hollenshead, and by unanimous vote of the Board, the Board granted authority to advertise all such tracts that have been received by OMR as well as any tracts that have been previously advertised and rolled over, and to otherwise approve the Nomination and Tract Report. **(Resolution No. 25-06-003)**

d) LEGAL & TITLE CONTROVERSY REPORT

June 11, 2025
(Resolution No. 25-06-004)

1. A request by Aquest Energy, LLC (Aquest) for an extension of the primary term of State Lease No. 22095 for an additional two (2) years. State Lease No. 22095, effective August 10, 2022, provides for a three (3) year primary term. As per Article 2(B) of State Lease No. 22095, if the Lessee is not in default, they may apply to the Board for an extension of the primary term by up to two (2) additional years.

Mr. Roberts reported that OMR Staff reviewed State Lease No. 22095 and confirmed that Aquest is not in default of its terms.

Staff recommended that the Board grant a two (2) year extension of the primary term with all other terms of State Lease No. 22095 remaining unchanged.

Upon motion of Mr. Moncla, seconded by Mr. Arceneaux, the Board voted unanimously to grant the request of Aquest Energy, LLC for a two (2) year extension of the primary term for State Lease No. 22095 with all other terms of State Lease No. 22095 remaining unchanged. There were no comments from the public on this matter. **(Resolution No. 25-06-004)**

2. An update on development of the process for submitting and evaluating proposals for wind energy production on state-owned land.

This matter was informational only, and no Board action was required.

VI. Executive Session

The Chairman stated that the next order of business was discussions in Executive Session to consider matters before the Board which were confidential in nature.

Upon a roll call of the Board Members, the Board went into Executive Session at 9:47 a.m.

Upon a roll call of the Board Members, the Board reconvened in open session at 10:36 a.m. for consideration of the following matters discussed in Executive Session:

- a. A discussion of ongoing negotiations with Torrent Gulf Coast III, LLC to resolve demand for outstanding royalties under State Lease Nos. 1227, 15536, 16610, and 20433

This discussion was informational only, and no Board action was taken.

- b. A discussion of potential claims relating to Cooperative Agreement 20-004 between the Office of Conservation and Louisiana Oilfield Restoration Association, Inc.

This discussion was informational only, and no Board action was taken.

- c. An update on settlement negotiations with Nowotny, et al and Cattle Farms, et al concerning an ownership dispute related to the specific water bottoms within Unit Tracts 1A, 1B, 3A, 3B, and 3C in the WB 8-11 RA SU Unit in West Bay Field, Plaquemines Parish, Louisiana

Upon motion of Mr. Hollenshead, seconded by Mr. Arceneaux, and by unanimous vote of the Board, the State Mineral and Energy Board suspended the requirement to file concursus proceedings or request authority to utilize third-party escrow accounts for a period of sixty (60) days and further granted Staff and the Attorney General's office the authority to continue to negotiate settlement of this matter as discussed in Executive Session. There were no comments from the public on this matter. (**Resolution No. 25-06-005**)

- d. A discussion of pending offers to settle the following legal matters:

- BPX Properties v. Moss and Magnolia, Docket No. 161,900, 26th JDC, Bossier Parish; Adversary Proceeding 21-01009, Unit HA RA SU 70
- BHP Billiton Petroleum Properties v. Hassell Investments, Docket No. 148,080, 26th JDC, Bossier Parish; Adversary Proceeding 21-01006, Unit HA RA SU 71
- BHP Billiton Petroleum Properties v. Rives Plantation, Docket No. 583,940, 1st JDC, Caddo Parish; Adversary Proceeding 21-01004, Unit HA RB SUDD

- BHP Billiton Petroleum Properties v. Hosier Properties, Docket No. 587,839, 1st JDC, Caddo Parish; Adversary Proceeding 21-01002, Unit HA RA SUW

Upon motion of Mr. Arceneaux, seconded by Mr. Watkins, and by unanimous vote of the Board, the State Mineral and Energy Board granted authority to Staff and the Attorney General's office to make a counteroffer based on discussions held in Executive Session. **(Resolution No. 25-06-006)**

- e. A discussion of the matter entitled: Callon Petroleum Operating Company v. Rankin, et al, Docket No. 136424, 26th Judicial District Court, Bossier Parish, State of Louisiana

Upon motion of Mr. Hollenshead, seconded by Mr. Moncla, and by unanimous vote of the Board, the State Mineral and Energy Board granted authority to Staff and the Attorney General's office to negotiate settlement of this matter based on discussions held in Executive Session. **(Resolution No. 25-06-007)**

- f. A discussion of the matter entitled: Aethon Energy Operating, LLC v. Moss and Magnolia, LLC, et al, Docket No. 634344, 1st Judicial District Court, Caddo Parish, State of Louisiana

Upon motion of Mr. Moncla, seconded by Mr. Arceneaux, and by unanimous vote of the Board, the State Mineral and Energy Board granted authority to Staff and the Attorney General's office to negotiate settlement of this matter based on discussions held in Executive Session. **(Resolution No. 25-06-008)**

- g. Technical Briefing on Bids

VII. Awarding of Leases

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

Mr. Talbot reported that eleven (11) tracts were up for bid at today's lease sale with a total of twelve (12) bids received.

The following were Staff's recommendations on the two (2) tracts Mr. Talbot discussed in detail:

Upon review of the competitive bids received on Tract No. 45937, Staff recommended accepting the bid of Cypress Energy Partners, LLC.

Upon review of the competitive bids received on Tract No. 45938, Staff recommended accepting the bid of Cypress Energy Partners, LLC.

Staff reported that the remaining eight (8) bids received on the tracts were recommended for approval at today's lease sale.

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

Tract 45932
(Portion: 9.200 acres)

<u>Bidder:</u>	Cantium, LLC
<u>Primary Term:</u>	Five (5) years
<u>Cash Payment:</u>	\$2,309.20
<u>Annual Rental:</u>	\$1,154.60
<u>Royalties:</u>	20% on oil and gas 20% on other minerals
<u>Additional Consideration:</u>	None

Tract 45933
(Entire: 204.860 acres)

<u>Bidder:</u>	Cantium, LLC
<u>Primary Term:</u>	Five (5) years
<u>Cash Payment:</u>	\$41,484.15
<u>Annual Rental:</u>	\$20,742.08
<u>Royalties:</u>	20% on oil and gas 20% on other minerals
<u>Additional Consideration:</u>	None

Tract 45934
(Entire: 55.000 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$137,500.00
<u>Annual Rental:</u>	\$68,750.00
<u>Royalties:</u>	25% on oil and gas 25% on other minerals
<u>Additional Consideration:</u>	None

Tract 45935
(Entire: 8.874 acres)

<u>Bidder:</u>	Stamper, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$22,673.07
<u>Annual Rental:</u>	\$11,336.54
<u>Royalties:</u>	23.5% on oil and gas 23.5% on other minerals
<u>Additional Consideration:</u>	None

Tract 45937(2)
(Entire: 35.9707 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$147,479.87
<u>Annual Rental:</u>	\$73,739.94
<u>Royalties:</u>	25.2% on oil and gas 25.2% on other minerals
<u>Additional Consideration:</u>	None

Tract 45938(2)
(Entire: 2.565 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$10,516.50
<u>Annual Rental:</u>	\$5,258.25
<u>Royalties:</u>	25.2% on oil and gas 25.2% on other minerals
<u>Additional Consideration:</u>	None

Tract 45939
(Entire: 0.389 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$1,594.90
<u>Annual Rental:</u>	\$797.45
<u>Royalties:</u>	25.2% on oil and gas 25.2% on other minerals
<u>Additional Consideration:</u>	None

Tract 45940
(Entire: 72.7867 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$298,425.47
<u>Annual Rental:</u>	\$149,212.74
<u>Royalties:</u>	25.2% on oil and gas 25.2% on other minerals
<u>Additional Consideration:</u>	None

Tract 45941
(Entire: 247.0852 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$803,026.90
<u>Annual Rental:</u>	\$401,513.45
<u>Royalties:</u>	25% on oil and gas 25% on other minerals
<u>Additional Consideration:</u>	None

Tract 45942
(Entire: 203.289 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$508,222.50
<u>Annual Rental:</u>	\$254,111.25
<u>Royalties:</u>	22.5% on oil and gas 22.5% on other minerals
<u>Additional Consideration:</u>	None

Lease(s) awarded were conditioned on the tract description(s) being accurate, overlapped prior leases being subtracted from acreage bid on, acreage amount(s) being verified and agreed between bidder and state and portion bids verified as being located within advertised boundary of tract.

This concluded the awarding of the leases.

VIII. DOCKET REVIEW REPORT
June 11, 2025
(Resolution No(s). 25-06-009 through 25-06-012)

The Board heard the report from Greg Roberts, Energy Lands Director, Energy Lands Division, on Wednesday, June 11, 2025, relative to the following:

- Category A: State Agency Leases
There were no items in this category
- Category B: State Lease Transfers
Docket Item Nos. 1 and 2
- Category C: Department of Wildlife & Fisheries State Agency Lease
There were no items for this category
- Category D: Advertised Proposals
Docket Item Nos. 1 and 2

Based upon Staff's recommendations, and upon motion of Mr. Moncla, seconded by Mr. Hollenshead, the Board voted to unanimously accept the following recommendations:

- Category B: State Lease Transfers
Approve Docket Item Nos. 1 and 2
(Resolution Nos. 25-06-009 and 25-06-010)
- Category D: Advertised Proposals
Approve Docket Item Nos. 1 and 2
(Resolution Nos. 25-06-011 and 25-06-012)

IX. Natural Resources Trust Authority Report – Presented by John Shiroda, NRTA Director

X. New Business

- a. Update on OMR's efforts to address gas supply concerns for operators in the Breton Sound and Main Pass areas, Plaquemines Parish, Louisiana

This item was informational only. No Board action was taken.

XI. Announcements

Mr. Young stated that the total cash payments received for the June 11, 2025 Lease Sale totaled \$1,973,232.56, bringing the fiscal year-to-date total to \$7,720,083.55.

XII. Adjournment

The Chairman then stated that there being no further business to come before the Board, upon motion of Mr. Watkins, seconded by Mr. Young, the meeting was adjourned at 10:46 a.m.

Respectfully Submitted,

ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-06-001 [LEASE REVIEW REPORT]

WHEREAS, the Staff of the Office of Mineral Resources (OMR) gave a report to the Board on Henergy Caddo Pine Island LLC (Henergy), Lessee and field operator of **State Lease No. 173**, Caddo Pine Island Field, Caddo Parish;

WHEREAS, at the February 12, 2025 meeting, the State Mineral and Energy Board (Board) deferred this matter for sixty (60) days in order for OMR Staff and Henergy to further discuss Henergy's lease development and plug and abandonment obligations and the release of non-productive acreage;

WHEREAS, at the May 14, 2025 meeting, the Board deferred this matter for an additional thirty (30) days to allow additional time for OMR Staff and Henergy to meet and further discuss this matter and report back to the Board at its next meeting to be held on June 11, 2025;

WHEREAS, in lieu of a meeting, OMR Staff forwarded a letter to Henergy dated June 4, 2025, outlining prior Board resolutions where Henergy was required to a) release acreage; b) account for lease development since acquiring the lease as well as future plans; and c) conduct well plug and abandonment activities;

WHEREAS, the letter afforded Henergy the opportunity to reply to OMR's letter by June 30, 2025 at which time OMR Staff would make its recommendation to the Board at a future meeting;

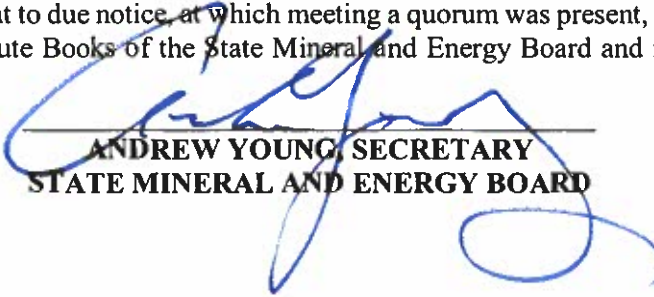
WHEREAS, OMR Staff provided a copy of the June 4, 2025 letter to the Board and recommended that the Board approve the requirements outlined in the letter; and

Upon motion of Mr. Moncla, seconded by Mr. Young, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby approve the requirements outlined in the June 4, 2025 letter to Henergy and provide all responsive information to OMR Staff by June 30, 2025 to allow OMR the opportunity to review and prepare a recommendation to the Board at a future meeting.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 11th day of June, 2025 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



**ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD**



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-06-002
[AUDIT]

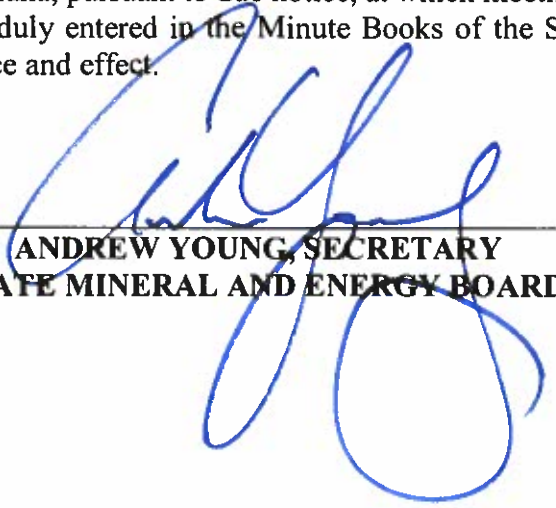
WHEREAS, Staff reported to the State Mineral and Energy Board that the election of the June 2025 gas royalty is to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement; and

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby acknowledge and approve the election of the June 2025 gas royalty being paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 11th day of June, 2025 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-06-003
[NOMINATION & TRACT]

WHEREAS, Mr. Greg Roberts reported that five (5) tracts were nominated for the August 13th, 2025 Mineral Lease Sale and requested that same be advertised pending Staff review;

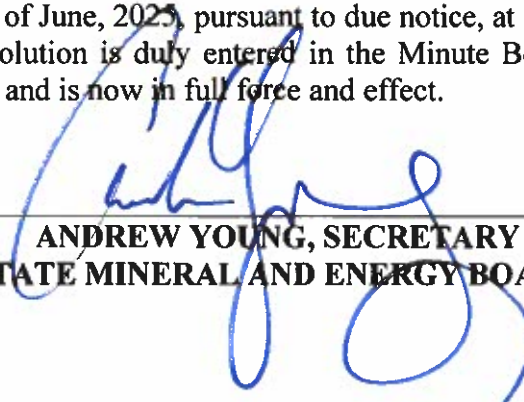
ON MOTION of Mr. Moncla, seconded by Mr. Hollenshead, the following recommendation was offered and unanimously adopted by the Board after discussion and careful consideration:

That the State Mineral and Energy Board grant approval to advertise all such tract(s) for the August 13th, 2025 Mineral Lease Sale;

NOW, BE IT THEREFORE RESOLVED, that the State Mineral and Energy Board does hereby approve and authorize the advertising of all such tracts received by the Office of Mineral Resources, as well as any tracts that were previously advertised and rolled over, and to otherwise approve the Nomination and Tract Report.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 11th day of June, 2025, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-06-004 [LEGAL & TITLE CONTROVERSY REPORT]

WHEREAS, a request was made by Aquest Energy, LLC (Aquest) for an extension of the primary term of **State Lease No. 22095** for an additional two (2) years;

WHEREAS, State Lease No. 22095, effective August 10, 2022, provides for a three (3) year primary term;

WHEREAS, as per Article 2(B) of State Lease No. 22095, if the Lessee is not in default, they may apply to the Board for an extension of the primary term by up to two (2) additional years;

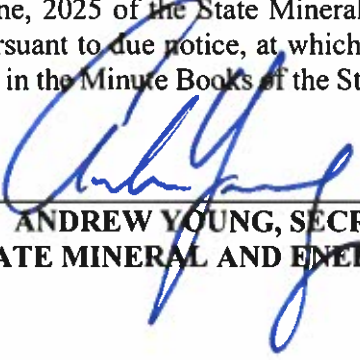
WHEREAS, the Staff of the Office of Mineral Resources reviewed State Lease No. 22095 and recommended that the Board grant a two (2) year extension of the primary term with all other terms of State Lease No. 22095 remaining unchanged;

Upon motion of Mr. Moncla, seconded by Mr. Arceneaux, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant the request of Aquest Energy, LLC for a two (2) year extension of the primary term for State Lease No. 22095 with all other terms of State Lease No. 22095 remaining unchanged.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 11th day of June, 2025 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-06-005
[EXECUTIVE SESSION]

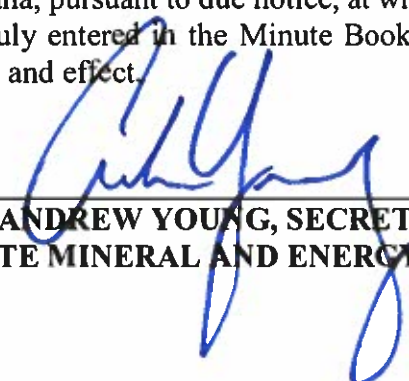
WHEREAS, an update on settlement negotiations with Nowotney, et al and Cattle Farms, et al concerning an ownership dispute related to the specific water bottoms within Unit Tracts 1A, 1B, 3A, 3B, and 3C in the WB 8-11 RA SU Unit in West Bay Field, Plaquemines Parish, Louisiana was held in Executive Session; and

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby suspend the requirement to file concursus proceedings or request authority to utilize third-party escrow accounts for a period of sixty (60) days and further granted Staff and the Attorney General's office the authority to continue to negotiate settlement of this matter as discussed in Executive Session.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 11th day of June, 2025 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



**ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD**



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-06-006 [EXECUTIVE SESSION]

WHEREAS, discussion and update was held in Executive Session of pending offers to settle the following legal matters:

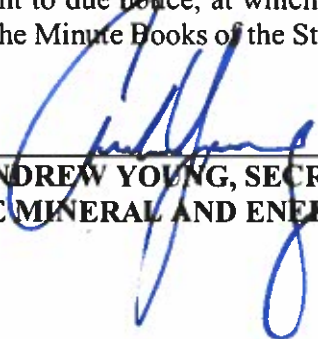
- BPX Properties v. Moss and Magnolia, Docket No. 161,900, 26th JDC, Bossier Parish; Adversary Proceeding 21-01009, Unit HA RA SU 70
- BHP Billiton Petroleum Properties v. Hassell Investments, Docket No. 148,080, 26th JDC, Bossier Parish; Adversary Proceeding 21-01006, Unit HA RA SU 71
- BHP Billiton Petroleum Properties v. Rives Plantation, Docket No. 583,940, 1st JDC, Caddo Parish; Adversary Proceeding 21-01004, Unit HA RB SUDD
- BHP Billiton Petroleum Properties v. Hosier Properties, Docket No. 587,839, 1st JDC, Caddo Parish; Adversary Proceeding 21-01002, Unit HA RA SUW

Upon motion of Mr. Arceneaux, seconded by Mr. Watkins, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant Staff and the Attorney General's office the authority to make a counteroffer of settlement based on discussions held in Executive Session.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 11th day of June, 2025 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



**ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD**



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-06-007
[EXECUTIVE SESSION]

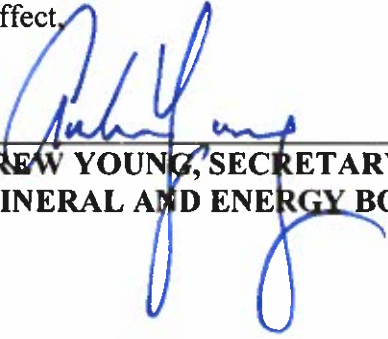
WHEREAS, a discussion of the matter entitled: Callon Petroleum Operating Company v. Rankin, et al, Docket No. 136424, 26th Judicial District Court, Bossier Parish, State of Louisiana was held in Executive Session; and

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant authority to Staff and the Attorney General's office to negotiate settlement of this matter based on discussions held in Executive Session.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 11th day of June, 2025 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-06-008
[EXECUTIVE SESSION]

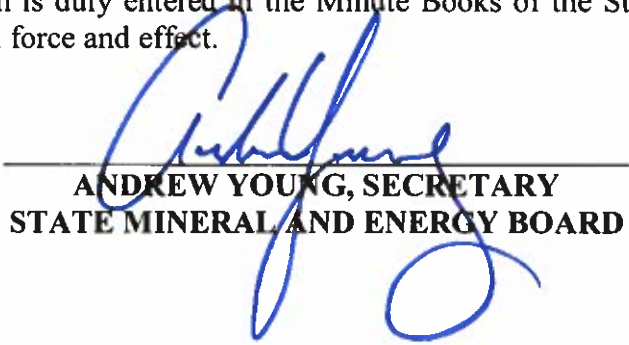
WHEREAS, a discussion of the matter entitled: Aethon Energy Operating, LLC v. Moss and Magnolia, LLC, et al, Docket No. 634344, 1st Judicial District Court, Caddo Parish, State of Louisiana was held in Executive Session; and

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant authority to Staff and the Attorney General's office to negotiate settlement of this matter based on discussions held in Executive Session.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 11th day of June, 2025 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



**ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD**



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-06-009
[DOCKET]

WHEREAS, approval of Docket Item No. 1 from the June 11, 2025 Meeting being a Correction of Resolution was presented to the State Mineral and Energy Board; and

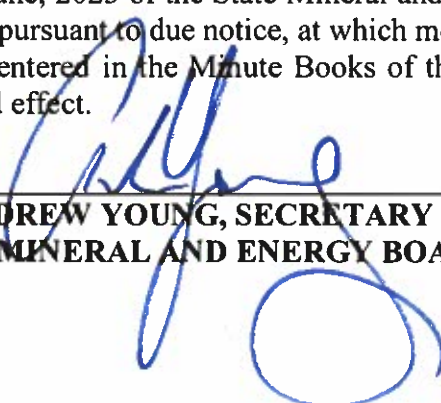
ON MOTION of Mr. Moncla, seconded by Mr. Hollenshead, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant approval of Docket Item No. 1, said instrument being more specifically described as follows:

A Correction of Resolution No. 23-11-009 from the November 8, 2023 meeting being an Assignment from AC Exploration, LLC to Sibley Petroleum Investments, LLC, whereas said resolution is hereby being corrected to read..."AC Exploration, LLC, Black Diamond Exploration, Inc., Gulf Standard Production, LLC, South Bay Corporation of Corpus Christi, Sprig Resources, Inc. The Termo Company and Wadi Petroleum, Inc. to Sibley Petroleum Investments, LLC", affecting **State Lease No. 20361**, Cameron Parish, Louisiana.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 11th day of June, 2025 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-06-010

[DOCKET]

WHEREAS, approval of Docket Item No. 2 from the June 11, 2025 Meeting being an Assignment presented to the State Mineral and Energy Board; and

ON MOTION of Mr. Moncla, seconded by Mr. Hollenshead, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board.

NOW, THEREFORE, BE IT RESOLVED, that the State Mineral and Energy Board does hereby grant approval of Docket Item No. 2, said instrument being more specifically described as follows:

An Assignment from Whitney Oil & Gas, LLC to Torrent Gulf Coast EB, LLC, of all of Assignor's right, title and interest in and to **State Lease Nos. 998, 999, 1007, 1008, 1009, 1010, 1011, 1012, 1388, 1924 and 15016**, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Torrent Gulf Coast EB, LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that approval of Docket Item No. 2 is expressly granted and accepted subject to the following stipulations and conditions, without which such approval would not have been given:

- (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;

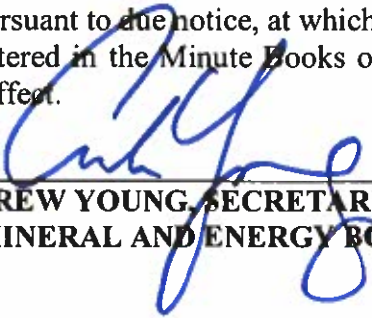
- (4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the 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.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that approval of Docket Item No. 2 is further conditioned upon, and made subject to, compliance with all terms and conditions of the Installment Payment Plan Agreement regarding payment of royalties owed to the State of Louisiana associated with production from State Lease Nos. 1227, 15536, 16610, and 20433, which was approved and adopted by Board Resolution No. 25-06-011 on June 11, 2025, and the terms of all State Leases acquired by Torrent Gulf Coast EB, LLC or any other affiliated or commonly owned or managed entity after the effective date of the Installment Payment Plan Agreement, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 11th day of June, 2025 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



**ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD**



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-06-011 [DOCKET]

WHEREAS, approval of Docket Item No. 25-07 from the June 11, 2025 Meeting being a Lease Amendment was presented to the State Mineral and Energy Board; and

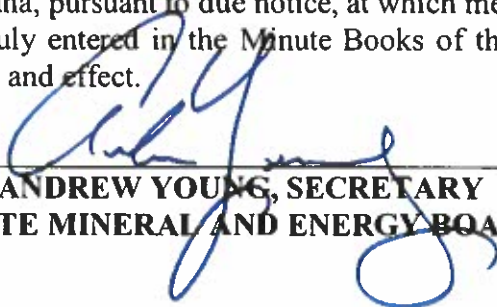
ON MOTION of Mr. Moncla, seconded by Mr. Hollenshead, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant approval of Docket Item No. 25-07, said instrument being more specifically described as follows:

An Installment Payment Plan by and between the State of Louisiana, acting through its agency, the Louisiana State Mineral and Energy Board and Torrent Gulf Coast III, LLC, whereas said parties have reached an agreement as to payment of royalties owed to the State of Louisiana associated with production from lands described in **State Lease Nos. 1227, 15536, 16610, and 20433**, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 11th day of June, 2025 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



**ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD**



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-06-012

[DOCKET]

WHEREAS, approval of Docket Item No. 25-08 from the June 11, 2025 Meeting being a Lease Amendment was presented to the State Mineral and Energy Board; and

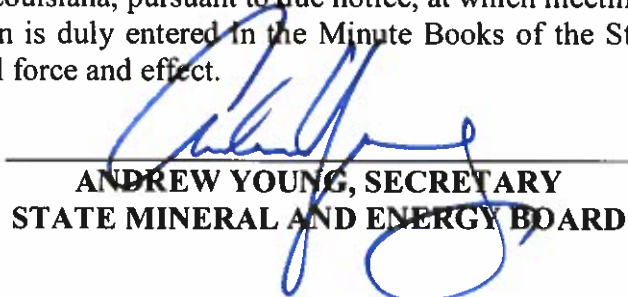
ON MOTION of Mr. Moncla, seconded by Mr. Hollenshead, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant approval of Docket Item No. 25-08, said instrument being more specifically described as follows:

A Lease Amendment by and between the State of Louisiana, acting through its agent, the Louisiana State Mineral and Energy Board and Aquest Energy, LLC, whereas said parties desire to amend said lease to extend the primary term for an additional two (2) years, affecting **State Lease No. 22077**, St. Bernard Parish, Louisiana, with further particulars being stipulated in the instrument.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 11th day of June, 2025 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD