

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

NATURAL RESOURCES TRUST AUTHORITY COMMITTEE MEETING SEPTEMBER 10, 2025

The Meeting of the Natural Resources Trust Authority Committee was held on Wednesday, September 10, 2025, beginning at 9:18 a.m. in the LaBelle Room of the LaSalle Building, 617 N. 3rd Street, First Floor, Baton Rouge, Louisiana.

I. Call to Order

Mr. Andrew Young, Chairman of the Natural Resources Trust Authority Committee, called the meeting to order.

II. Roll Call

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

Andrew Young, Secretary Gray's Designee
Sidney W. Degan, III
Charles W. "Wes" Shepherd Sr.

Mr. Young noted that one (1) other member of the committee, Matt Moncla was not present due to his resignation from the State Mineral and Energy Board.

Mr. Young offered his appreciation for Mr. Moncla's past contributions to the Committee and to the State Mineral and Energy Board.

The Chairman announced that a quorum was established.

III. Natural Resources Trust Authority Report - Presented by John Shiroda, Executive Director

I. Oilfield Site Restoration Program

1. OSR monthly report for the Board

Informational only, and no committee action required.

2. Authorization to amend the application form for OSR work to include the following:

- (1) Proof of P&A contractor work within the three (3) year period pre-dating the application
- (2) Verification of registration as a Louisiana business entity and authorization to do business within the state.

A motion was made by Mr. Shepherd to grant authority to the NRTA and ORS Program to amend the application form for OSR work to include the following:

- Proof of P&A contractor work within the three (3) year period pre-dating the application
- Verification of registration as a Louisiana business entity and authorization to do business within the State

His motion was seconded by Mr. Degan and unanimously adopted by the Committee. **(Resolution No. NRTA-25-09-001)**

3. Contractor applications for OSR work from previous meeting and new applicants

A motion was made by Mr. Degan to defer consideration of the State Contractor applications for OSR work until the October 8, 2025 meeting. His motion was seconded by Mr. Shepherd and unanimously adopted by the Committee. **(Resolution No. NRTA-25-09-002)**

4. Information regarding Financial Security coverage amount increase plan in response to Legislative Auditor report on OSR operations

Informational only, and no committee action required.

5. Information regarding Priority List for OSR

Informational only, and no committee action required.

II. LORA Program

1. Update on monthly monthly invoicing and collection amounts

Informational only, and no committee action required.

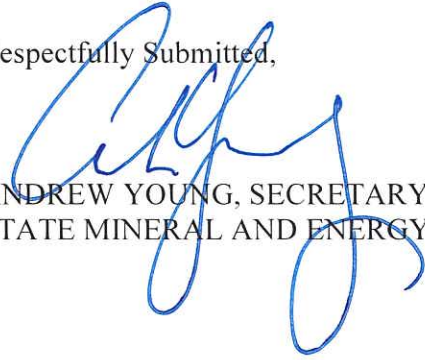
2. List of operators delinquent for R4 operations

Informational only, and no committee action required.

XI. Adjournment

The Chairman then stated that there being no further business to come before the Committee, the meeting was adjourned at 9:56 a.m.

Respectfully Submitted,



ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD

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INTERIM DIRECTOR
CONSERVATION

DEPARTMENT OF ENERGY AND NATURAL RESOURCES

REGULAR MEETING SEPTEMBER 10, 2025

The Regular Meeting of the State Mineral and Energy Board was held on Wednesday, September 10, 2025, beginning at 10:10 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
Andrew Young, Secretary Gray's Designee
Robert D. Watkins
Magnus J. "Jake" Arceneaux IV
Charles W. "Wes" Shepherd Sr.
Benjamin C. Bienvenu
Billy A. Busbice, Jr.

The following members were recorded as absent:

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 August 13, 2025 Minutes

The Chairman stated that the next order of business was the approval of the August 13, 2025 Minutes.

A motion was made by Mr. Shepherd adopt the August 13, 2025 Minutes as submitted, and to waive reading said minutes in entirety. His motion was seconded by Mr. Arceneaux 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
- e) Docket Review 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
September 10, 2025
(Resolution Nos. 25-09-001 through 25-09-003)

I. GEOLOGICAL AND ENGINEERING STAFF REVIEW

According to the SONRIS database, there are 931 active State Leases containing approximately 396,821 acres. Since the last Lease Review Report, the Geological and Engineering Division reviewed 106 leases covering approximately 22,856 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 No. 173, Caddo Pine Island Field, Caddo Parish

At the August 13, 2025 State Mineral and Energy Board (“the Board”) meeting, it was determined to defer any action regarding the lease.

Upon motion of Mr. Shepherd, seconded by Mr. Hollenshead, the Board voted unanimously to grant authorization to the Louisiana Attorney General’s Office to issue a formal written demand to Henergy Caddo Pine Island LLC to appear before the Board at its’ next meeting to be held on October 8, 2025 and provide reporting on seismic data and plug and abandonment plans as requested by the Office of Mineral Resources in its’ June 4, 2025 letter. No comments were received by the public on this matter. **(Resolution No. 25-09-001)**

III. STAFF ITEMS AUTHORIZED BY BOARD

1. **Royalty Relief Program (Informational Only)**

Years	# Applications Processed	South LA	North LA *Haynesville
2019 - 2021	8	5	3*
2022 - 2023	8	4	4*
2024 - 2025	12	3	9*
Totals	28	12	16

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

IV. FORCE MAJEURE

1. **Comstock Resources Inc (Comstock)** requests that the Board continue recognition of a force majeure for State Lease No. 20146 & Operating Agreement No. A0315 located in the Elm Grove Field, Bossier & Caddo Parishes. On May 5th 2024, the Board previously recognized that a force majeure condition had occurred (See Resolution No. 24-05-001).

Upon motion of Mr. Busbice, seconded by Mr. Watkins, the Board voted unanimously to continue recognition of the force majeure status for State Lease No. 20146 and Operating Agreement No. A0315. No comments were received by the public on this matter. **(Resolution No. 25-09-002)**

2. **Torrent Gulf Coast III, LLC (Torrent)** requests that the Board recognize a condition of force majeure for State Lease Nos. 16610, 20433, and 21645 located in the Breton Sound Block 18 field.

On May 27, 2025, Torrent discovered that its 10" production flowline from BS Blk 18 to BS Blk 32 was leaking and required shutting in the line. Shortly thereafter, on May 31, 2025 a marine vessel struck and damaged the wellhead on State Lease No. 21645 Well No. 1. This later event resulted in Torrent being unable to supply gas to their BS Blk 18 facility to operate the gas lift system.

Upon motion of Mr. Watkins, seconded by Mr. Shepherd, the Board voted unanimously to recognize a condition of force majeure for State Lease Nos. 16610, 20433, and 21645. No comments were received by the public on this matter. **(Resolution No. 25-09-003)**

b) AUDIT REPORT
September 10, 2025
(Resolution No. 25-09-004 and 25-09-005)

The Board heard the report of Ms. Taletha Shorter, Audit Director, on Wednesday, September 10, 2025, relative to the following:

I. MINERAL INCOME MONTHLY STATISTICS REVIEW

- A. As of August 31, 2025, field audit collections totaled \$1,143,658.97 which includes \$906,128.47 in royalty exceptions and \$237,530.50 in interest. The current number of open royalty audits is 33.

Royalties collected in August 2025 totaled \$11,978,524.54 and Fiscal Year to Date totaled \$23,234,150.02, as compared to last year's Fiscal Year to Date Royalties of \$23,538,092.12 as of August 31, 2024.

Monthly state royalty reports submitted in August totaled 248, which includes 80 SR1s for oil, 147 SR2s for gas, and 21 SR5s for plant products.

II. CURRENT DELINQUENT PAYORS

- A. There were no delinquent payors brought before the Board.

III. BOARD REVIEW

- A. Ms. Shorter reported to the Board that the election for September 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. Shepherd, seconded by Mr. Busbice, the Board voted unanimously to acknowledge and approve the election of the September 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. 25-09-004)**

- B. Ms. Shorter also advised the Board that the Mineral Income Division of the Office of Mineral Resources has hired two (2) new auditors; one of which will be stationed in the Baton Rouge office and one being stationed in the Houston office.

Ms. Shorter also advised the Board that due to the need for additional staff in her division, a request to the Fiscal Office of the Department of Energy and Natural Resources had been submitted requesting three (3) additional field audit positions.

After much discussion of the need for additional auditors, the Board expressed an interest in offering its' support of this request by resolution.

Upon motion, Mr. Young, seconded by Mr. Shepherd, the Board voted unanimously to offer its' support of the Office of Mineral Resources' request to the Fiscal Office of the Department of Energy and Natural Resources for the hiring of three (3) additional auditors. **(Resolution No. 25-09-005)**

c) NOMINATION AND TRACT REPORT

September 10, 2025
(Resolution No. 25-09-006)

The Board heard the report of Mr. Greg Roberts on Wednesday, September 10, 2025, relative to nominations received in the Office of Mineral Resources for the November 12th, 2025 Mineral Lease Sale and other matters.

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 four (4) tracts that were nominated for the September 10, 2025 Mineral Lease Sale.

By comparison, OMR received eleven (11) nominations for advertisement concerning the September 11, 2024 Mineral Lease Sale.

II. FUTURE LEASE SALE

- A. Nineteen (19) nominations for advertisement were received by OMR for the November 12, 2025 Mineral Lease Sale.

By comparison, OMR advertised fifteen (15) nominations associated with the November 13, 2024 Mineral Lease Sale.

Based on Staff's recommendation, and on motion of Mr. Shepherd, seconded by Mr. Arceneaux, 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 nominated and rolled over, and to otherwise approve the Nomination and Tract Report (**Resolution No. 25-09-006**).

d) LEGAL & TITLE CONTROVERSY REPORT

September 10, 2025
(Resolution Nos. 25-09-007 through 25-09-009)

1. A request by Argent Trust Company, the current Trustee of the Gonsoulin Trust, for the consent of the State Mineral and Energy Board to terminate the Agreement of Trust dated June 22, 1965. Argent requests the Board consent to grant it relief from responsibilities pursuant to the terms of that Agreement.

Upon motion of Mr. Hollenshead, seconded by Mr. Shepherd, the Board voted unanimously to grant and consent to the request of Argent Trust Company to be relieved of its responsibilities as Trustee under the Agreement of Trust dated June 22, 1965 and to perform all actions lawful, necessary and proper as a consequence thereof. Christopher S. Holtzclaw, Chief Legal Counsel & President of Energy Services of the Argent Trust Company, and Richard Kimble, representing Texas Petroleum Investment Company, presented comments to the Board in support of this request. Mr. Hollenshead also asked that Doug Lauter of Bossier Parish be recognized for his efforts in working with Argent Trust Company and that Argent continue to work with him through the transfer to TPIC. There were no other comments received from the public on this matter. **(Resolution No. 25-09-007)**

2. A request by Magnetar Exploration, L.P. ("Magnetar") that the State Mineral and Energy Board ("Board"), as agent of the State of Louisiana and on behalf of the Louisiana Department of Wildlife and Fisheries ("LWF"), consider an Operating Agreement covering land located within the Rockefeller Wildlife Refuge and Game Preserve, being the same land defined within State Agency Lease Nos. 22207 and 22208, situated in Vermilion and Cameron Parishes.

State Agency Lease Nos. 22207 and 22208 (the "Leases") required an annual rental payment on May 8, 2025, in order to maintain the Leases within their primary term. Magnetar, the lessee, failed to make the required rental payment on time. Shortly after submitting the late payments, Magnetar requested that the Board and LWF accept the late payments and enter into a mutually agreeable ratification of the Leases.

At its July 2025 meeting, the Board passed Resolution No. 25-07-007, resolving to grant Magnetar's request, subject to the negotiation of a mutually agreeable ratification of the Leases. However, following further legal review by the staffs of OMR and LWF, it was determined that entering into an Operating Agreement is the preferable course of action in this situation.

Upon motion of Mr. Shepherd, seconded by Mr. Young, the Board voted unanimously to rescind Resolution No. 25-07-007 and grant Staff the authority to negotiate a mutually agreeable Operating Agreement covering the subject lands, pending a full release of the

Leases from Magnetar to LWF. There were no comments received from the public on this matter. **(Resolution No. 25-09-008)**

3. A request by Comstock Oil & Gas-Louisiana, LLC (“Comstock”) to amend Operating Agreement A0315 (“A0315”) to include a shut-in payment provision.

Although A0315 contemplates shut-in/in-lieu royalty payments to maintain the agreement in the event of a 90-day cessation of Acceptable Operations or recognized Force Majeure events, a shut-in/in-lieu royalty payments clause is not included in the current version of A0315.

To ensure that A0315 may be maintained under such circumstances, Comstock is requesting that the agreement be amended to include an appropriate shut-in/in-lieu royalty payments provision.

Upon motion of Mr. Busbice, seconded by Mr. Arceneaux, the Board voted unanimously to grant Staff the authority to negotiate and enter into a mutually agreeable amendment of A0315 to include an appropriate shut-in/in-lieu royalty payments provision. There were no comments received from the public on this matter. **(Resolution No. 25-09-009)**

e) DOCKET REVIEW REPORT
September 10, 2025
(Resolution No(s). 25-09-010 through 25-09-015)

The Board heard the report from Greg Roberts on Wednesday, September 10, 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 through 5
- Category C: Department of Wildlife & Fisheries State Agency Lease
There were no items for this category
- Category D: Advertised Proposals
Docket Items No. 1

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

- Category B: State Lease Transfers
Approve Docket Item Nos. 1 through 5
(Resolution Nos. 25-09-010 through 25-09-014)
- Category D: Advertised Proposals
Conditionally approve Docket Item No. 1 and delegate authority on the final approval to the Office of Mineral Resources
(Resolution No. 25-09-015)

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

Mr. Shiroda presented the report for the Natural Resources Trust Authority Committee meeting.

A motion was made by Mr. Busbice to accept the recommendations of the NRTA Committee. His motion was seconded by Mr. Shepherd and unanimously adopted by the Board. No public comments were made at this time. **(Resolution No 25-09-016)**

VII. 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 motion by Mr. Shepherd, seconded by Mr. Busbice, and a roll call vote of the Board Members, the Board went into Executive Session at 11:21 a.m.

Upon a roll call vote of the Board Members, the Board reconvened in open session at 12:36 p.m. for consideration of the following matters discussed in Executive Session:

- a. A discussion of potential claims relating to Cooperative Agreement No. 20-004 between the Office of Conservation and the Louisiana Oilfield Restoration Association, Inc.

Item was information only, and no Board action was taken.

- b. A status update and discussion of the matter entitled *In Re: The Gonsoulin Trust*, Docket No. 137130, 16th Judicial District Court, St. Mary Parish, Louisiana

Item was information only, and no Board action was taken.

- c. A discussion of proposed terms for an Operating Agreement with Magnetar Exploration, L.P. covering land located within the Rockefeller Wildlife Refuge and Game Preserve, being the same land defined within State Agency Lease Nos. 22207 and 22208, situated in Vermilion and Cameron Parishes

Upon motion of Mr. Shepherd, seconded by Mr. Busbice, and by unanimous vote of the Board, the State Mineral and Energy Board granted Staff the authority to accept the terms proposed by Magnetar Exploration, L.P., in principle, subject to drafting of an appropriate instrument, execution thereof, proper advertisement, and placement on the Docket for final approval. **(Resolution No. 25-09-017)**

- d. A discussion of proposed terms for a Surface Use, Waiver, and Accommodation Agreement with Sportsman Solar Energy LLC covering land in Section 27, Township 3 South, Range 8 East, Tangipahoa Parish, Louisiana

Upon motion of Mr. Shepherd, seconded by Mr. Arceneaux, and by unanimous vote of the Board, the State Mineral and Energy Board granted Staff the authority to accept the offer entering into a mutually acceptable Surface Use Waiver and Accommodation Agreement. **(Resolution No. 25-09-018)**

- e. A request for authority to negotiate with Clovelly Oil Co. LLC for amounts owed pursuant to an audit that was conducted on Treber Oil Corp. The amounts owed are for Exception No. 1 on Audit No. 474 involving State Lease No. 2918, West Lake Ponchartrain Block 41 Field, St. Charles Parish, Louisiana. Danny Foster, a consultant with Clovelly Oil Co. LLC was present to answer questions.

Upon motion of Mr. Busbice, seconded by Mr. Shepherd, 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 based on terms discussed Executive Session. **(Resolution No. 25-09-019)**

- f. A discussion of and request for authority to consider an offer by Expand Operating LLC to partially settle the matter entitled: *BHP Billiton Petroleum Properties (N.A.), L/P., et al vs. Ernest H. Turner, III, et al*, Civil Docket No. 145660, 26th Judicial District Court, Bossier Parish, Louisiana, said matter being hence removed to Federal Court and cited as Case No. 21-1005, W.D. La. Bankruptcy, (HA RA SU133 Unit, Franks Investment Co. 10H-1 Well, Elm Grove Field)

Upon motion of Mr. Shepherd, seconded by Mr. Arceneaux, the Board voted unanimously to defer this matter until the October 8, 2025 meeting. **(Resolution No. 25-09-020)**

- g. A discussion of and request for authority to execute a settlement agreement in accordance with an offer made by a former lessee and conflict landowners. The agreement will settle a dispute over the production proceeds attributable to certain conflict tracts of the HA RB SUFF Unit in the Haynesville Zone, Caspiana Field, Bossier and Caddo Parishes, Louisiana. The unit wells operated by Comstock Oil & Gas-LA, LLC are: Poole Ant 21-15-11 H No. 1 (Serial No. 239918) and Poole Ant 16-21 HC No. 1-A (Serial No. 251425). Said dispute being related to the lawsuit entitled: *Irene S. Kohn and Joseph J. McDole v. BPX Properties (NA) LP and Comstock Oil & Gas, LLC*, 26th Judicial District Court # C-162196, Bossier Parish; later removed to the United States District Court for the Western District of Louisiana, No. 5:20-CV-00696.

Upon motion of Mr. Shepherd, seconded by Mr. Arceneaux, and by unanimous vote of the Board, the State Mineral and Energy Board granted authority to Staff reject the proposed methodology to settle this case. **(Resolution No. 25-09-021)**

h. Technical Briefing on Bids

VIII. Awarding of Leases

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

Mr. Talbot reported that four (4) tracts were up for bid at today's lease sale with a total of five (5) bids received.

The following was Staff's recommendations on the one (1) tract Mr. Talbot discussed in detail:

Upon review of the competitive bids received on Tract No. 45953, Staff recommended accepting the bid of Cypress Energy Partners, LLC.

Staff reported that the remaining three (3) bids received on the tracts were recommended for approval at today's lease sale.

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

Tract 45952
(Entire: 8.302 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$29,057.00
<u>Annual Rental:</u>	\$14,528.50
<u>Royalties:</u>	25.2% on oil and gas 25.2% on other minerals
<u>Additional Consideration:</u>	None

Tract 45953(2)
(Entire: 5.101 acres)

<u>Bidder:</u>	Cypress Energy Partners, LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$17,853.50
<u>Annual Rental:</u>	\$8,926.75
<u>Royalties:</u>	25.2% on oil and gas 25.2% on other minerals
<u>Additional Consideration:</u>	None

Tract 45954
(Entire: 216.500 acres)

<u>Bidder:</u>	Weidner Energy LLC
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$21,650.00
<u>Annual Rental:</u>	\$10,825.00
<u>Royalties:</u>	17.5% on oil and gas 17.5% on other minerals

Additional Consideration:

This Bid covers the State's interest in the 9400 RA SUA, as established by Louisiana Office of Conservation Order No. 890-Z, dated effective on and after July 12, 2011. The Unit Well is the SL 19706 Well No. 1 (SN 243180)(Well). The Operator of Record of the Well is Bidder's operating company WCC Energy Group LLC. WCC Energy is also the Operator of Record of Bidder's Production Facility located some 4,600 feet southwest of the Well.

If a lease is awarded on this bid, Bidder will immediately schedule a test of the Well in order to determine if it is capable of production of oil and/or gas in paying quantities. Upon such successful test, Bidder will permit and cause to have constructed a flowline connecting the Well to the Production Facility and return the Well to production. The cost of well testing and pipeline construction will approach \$500,000. The scheduling of the well test and construction of the flowline are contingent upon favorable weather conditions, permitting, and availability of material, equipment and manpower.

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.

Tract 45955
(Entire: 242.390 acres)

<u>Bidder:</u>	K-Exploration Co.
<u>Primary Term:</u>	Three (3) years
<u>Cash Payment:</u>	\$36,358.50
<u>Annual Rental:</u>	\$18,179.25
<u>Royalties:</u>	20% on oil and gas 20% on other minerals

Additional Consideration:

This Tract 45955 was formerly covered and affected by State of Louisiana State Operating Agreement A0392 (*A0392*). Martin Energy LLC and others were the record title owners of A0392. The well that produced A0392 was the Martin Energy LLC – A0392 Well No. 1 (SN 252405) (the *Well*). The Well, which is surfaced on a Surface Lease owned by Energy Limited Partners, LLC (ELP), ceased to produce in April of 2023. By *Affidavit of Termination of Operating Agreement A0392*, dated May 23, 2024, the Office of Mineral Resources declared that A0392 had terminated under its terms.

On June 8, 2023, Martin Energy LLC was involuntarily put in Chapter 7 bankruptcy (Case No. 23-10898, United State Bankruptcy Court, Eastern District of Louisiana). By Order dated June 18, 2024, the Bankruptcy Court approved a Settlement Agreement between EPL, IOS Energy Services, LLC (*IOS*), and the bankruptcy Trustee regarding the assets owned by Martin. Pursuant to the terms of the Settlement Agreement, ELP was charged with Maintaining the Surface Lease of the A0392 well, procuring an oil and gas lease from the State covering the A0392 acreage and IOS would assume operatorship of the Well and thereafter obligated to timely perform certain reworking operations on the Well in an effort to return it to production. IOS's estimates the cost of the reworking operations is in excess of \$300,000.00. Additionally, the parties to the Settlement Agreement own the production equipment for the Well. K-Exploration Co. is bidding on behalf of parties to the Settlement Agreement.

If a lease is awarded on this bid and in the event IOS, or its successor, fails its obligations to conduct reworking operations on the Well, EPL will propose alternative operations to be performed during the primary term of the lease. All of such operations are subject to favorable weather conditions, permitting, and availability of material, equipment and manpower.

If a reworking operation is not performed prior to the first anniversary date of the lease, to extend the lease the lessee shall make a payment equal to twice the annual delay rental as a penalty for failing to perform a reworking operations within the first year of the lease.

This concluded the awarding of the leases.

IX. New Business

- a. Recognition of Mr. Matt Moncla (**Resolution No. 25-09-022**)
- b. Discussion of primary term rental provisions in the current state lease form

Item was information only, and no Board action was taken.

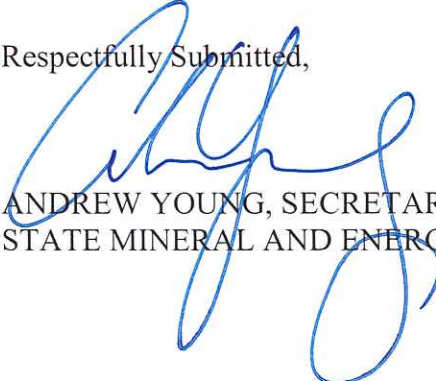
X. Announcements

Mr. Young stated that the total cash payments received for the September 10, 2025 Lease Sale totaled \$104,919.00, bringing the fiscal year-to-date total to \$459,622.30.

XI. Adjournment

The Chairman then stated that there being no further business to come before the Board, upon motion of Mr. Busbice, seconded by Mr. Watkins, the meeting was adjourned at 1:30 p.m.

Respectfully Submitted,


ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD



Louisiana State Mineral and Energy Board

RESOLUTION NO. NRTA-25-09-001
[NATURAL RESOURCES TRUST AUTHORITY]

WHEREAS, John Shiroda, Executive Director of the Natural Resources Trust Authority (NRTA), and Roby Fulkerson, Executive Director of the Oil Field Site Restoration Program (OSR), requested authorization to amend the application form for OSR work to include the following:

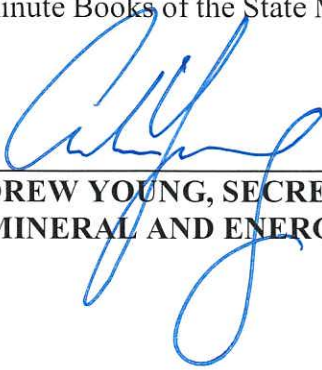
- Proof of P&A contractor work within the three (3) year period pre-dating the application
- Verification of registration as a Louisiana business entity and authorization to do business within the State

ON MOTION of Mr. Shepherd, seconded by Mr. Degan, the following Resolution was offered and unanimously adopted by the NRTA Committee:

NOW THEREFORE, BE IT RESOLVED that the NRTA Committee does hereby grant authority to the NRTA and the OSR Program to amend the application form for OSR work to include the items presented.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of September, 2025 of the Natural Resources Trust Authority Committee in the City of Baton Rouge, State of Louisiana, pursuant to due notice, 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. NRTA-25-09-002
[NATURAL RESOURCES TRUST AUTHORITY]

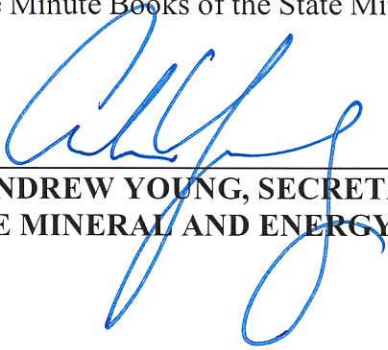
WHEREAS, John Shiroda, Executive Director of the Natural Resources Trust Authority (NRTA), and Roby Fulkerson, Executive Director of the Oil Field Site Restoration Program (OSR), advised the Board of multiple candidates with pending applications for admission onto the OSR approved State Contractor list;

ON MOTION of Mr. Degan, seconded by Mr. Shepherd, the following Resolution was offered and unanimously adopted by the NRTA Committee:

NOW THEREFORE, BE IT RESOLVED that the NRTA Committee does hereby defer consideration of the State Contractor applications for OSR work until the October 8, 2025 meeting.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of September, 2025 of the Natural Resources Trust Authority Committee in the City of Baton Rouge, State of Louisiana, pursuant to due notice, 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. 25-09-016 [NATURAL RESOURCES TRUST AUTHORITY]

WHEREAS, John Shiroda, Executive Director of the Natural Resources Trust Authority (NRTA), and Roby Fulkerson, Executive Director of the Oil Field Site Restoration Program (OSR), presented the September 10, 2025 NRTA Report to the NRTA Committee of the Board regarding updates on the OSR Program and the Louisiana Oilfield Restoration Program (LORA); and

WHEREAS, the NRTA Report included a request for authorization to amend the application form for OSR work and for approval of multiple candidates with pending applications for admission onto the OSR approved State Contractor list; and

WHEREAS, the NRTA Committee voted to amend the application form and to defer consideration of the State Contractor applications for OSR work until the October 8, 2025 meeting; and

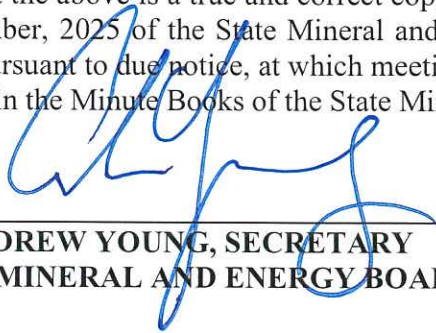
WHEREAS, in open meeting of the State Mineral and Energy Board following the meeting of its NRTA Committee, the State Mineral and Energy Board received an overview of the information presented to the NRTA Committee and was advised of its decision to defer consideration of the State Contractor applications for OSR work until the October 8, 2025 meeting;

ON MOTION of Mr. Busbice, seconded by Mr. Shepherd, 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 acknowledged and approved the September 10, 2025 NRTA Report and affirmed the NRTA Committee's vote to amend the OSR work application form and to defer consideration of the State Contractor applications for OSR work to the October 8, 2025 meeting.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of September, 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**