

MINUTES

STATE MINERAL AND ENERGY BOARD

LEASE SALE AND BOARD MEETING

December 8, 2021

JOHN BEL EDWARDS
GOVERNOR



THOMAS F. HARRIS
SECRETARY

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

Opening of Bids
December 8, 2021

A public meeting for the purpose of opening sealed bids was held on Wednesday, December 8, 2021, beginning at 8:30 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Byron Miller presided over the meeting. He then read the letter of notification certifying the legal sufficiency of the advertisement of Tract Nos. 45490 through 45497 which was published for lease by the Board at today's sale.

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

Mr. Miller stated that there were no tracts to be withdrawn from today's Lease Sale.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. Miller:

Tract 45490
(Entire: 130.000 acres)

Bidder	:	CYPRESS ENERGY CORPORATION
Primary Term	:	Three (3) years
Cash Payment	:	\$364,000.00
Annual Rental	:	\$182,000.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 45491
(Portion: 171.00 acres)

Bidder	:	PRIDE OIL & GAS PROPERTIES, INC.
Primary Term	:	Three (3) years
Cash Payment	:	\$36,081.00
Annual Rental	:	\$18,040.50
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

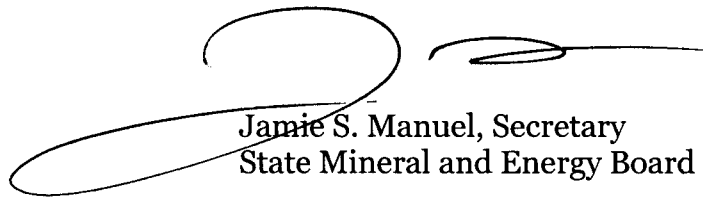
Tract 45495
(Portion: 15.000 acres)

Bidder	:	HILCORP ENERGY I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$3,165.00
Annual Rental	:	\$1,582.50
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the Opening of the Bids Meeting was concluded at 8:35 a.m.

Respectfully Submitted,



Jamie S. Manuel, Secretary
State Mineral and Energy Board

JOHN BEL EDWARDS
GOVERNOR



THOMAS F. HARRIS
SECRETARY

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

REGULAR MEETING
December 8, 2021

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, December 8, 2021**, beginning at 9:35 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.

I. CALL TO ORDER

Mr. W. Paul Segura, Jr. Chairman, called the meeting to order.

II. ROLL CALL

He then requested Mr. Jamie Manuel, Assistant Secretary of the Office of Mineral Resources, call the roll for the purpose of establishing a quorum.

W. Paul Segura, Jr., Chairman
Carol R. LeBlanc, Vice-Chair
Mark A. Brady, DNR UnderSecretary
Harry J. Vorhoff, Governor John Bel Edwards Designee
J. Todd Hollenshead
Robert D. Watkins
Willie J. Young, Sr.

The following members of the Board were recorded as absent:

Thomas L. Arnold, Jr.
Rochelle A. Michaud-Dugas
Harvey "Ned" White
Darryl D. Smith

Mr. Manuel announced that a quorum of seven (7) members 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 NOVEMBER 10, 2021 MINUTES

The Chairman stated that the first order of business was the approval of the Minutes.

A motion was made by Mr. Young to adopt the November 10, 2021 Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Vorhoff and unanimously adopted by the Board. (No public comment was made at this time.)

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

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

V. STAFF REPORTS

- a) **Lease Review Report**
presented by Jason Talbot, Petroleum Scientist Manager
and Charles Bradbury, P.E., Engineering Supervisor
Geology, Engineering & Land Division
- b) **Nomination and Tract Report**
presented by Greg Roberts, Petroleum Lands Director
Geology, Engineering & Land Division
- c) **Audit Report**
presented by Rachel Newman, Audit Director
Mineral Income Division
- d) **Legal and Title Controversy Report**
presented by Greg Roberts, Petroleum Lands Director
Geology, Engineering & Land Division
- e) **Docket Review Report**
presented by Greg Roberts, Petroleum Lands Director
Geology, Engineering & Land Division

**a) LEASE REVIEW REPORT
JANUARY 13, 2021
(Resolution Nos. 21-01-001)**

I. GEOLOGICAL AND ENGINEERING STAFF REVIEW

According to the SONRIS database, there are 1,048 active State Leases containing approximately 457,783 acres. Since the last Lease Review Report, the Geological and Engineering Division reviewed 105 leases covering approximately 30,972 acres for lease maintenance.

II. BOARD REVIEW

1. There were no State Lease items discussed.

III. FORCE MAJEURE

HURRICANE IDA

1. Mr. Charles Bradbury of the Office of Mineral Resources reported that Krewe Energy LLC and S2 Energy Operating LLC requested an additional one (1) month extension to the force majeure recognition for State Lease Nos. 192PP and 1772 in Timbalier Bay Field, Lafourche Parish, Louisiana.

Mr. Bradbury further reported that these leases were originally shut-in in 2020 due to storm damage from Hurricane Zeta and other storms.

Mr. Bradbury stated that they have completed the repairs to the facilities; however, they are waiting on the gas pipeline company to finish its repairs to reconnect to the facility.

Mr. Bradbury recommended that the Board continue the force majeure recognition for State Lease Nos. 192PP and 1772 through the January 12, 2022 Board Meeting.

Upon motion of Mr. Watkins, seconded by Mr. Vorhoff, and by unanimous vote of the Board, the Board approved the request by Krewe Energy LLC and S2 Energy Operating LLC for an extension to the force majeure recognition for State Lease Nos. 192PP and 1772 in Timbalier Bay Field, Lafourche Parish, Louisiana. There were no comments from the public on this matter.
(Resolution No. 21-12-001)

2. Mr. Charles Bradbury reported that Lobo Operating Inc. requested that the Board accept a late shut-in payment for State Lease Nos. 16392, 16393 and 16570 in Main Pass Block 25 Field, Plaquemines Parish, Louisiana.

Mr. Bradbury further reported that these leases were shut-in originally on June 29, 2021 due to flowline damaged by a passing vessel.

Mr. Bradbury also reported that the leases had a critical date of September 27, 2021 and will expire without the Board's acceptance of this late shut-in payment.

Mr. Bradbury recommended that the Board accept the late shut-in payment for State Lease Nos. 16392, 16393 and 16570 in Main Pass Block 25 Field, Plaquemines Parish, Louisiana.

Upon motion of Mr. Hollenshead, seconded by Mr. Watkins, and by unanimous vote of the Board, the Board approved the request by Lobo Operating Inc. to accept the late shut-in payment for State Lease Nos. 16392, 16393 and 16570 in Main Pass Block 25 Field, Plaquemines Parish, Louisiana. There were no comments from the public on this matter. **(Resolution No. 21-12-002)**

3. Mr. Charles Bradbury reported that the Office of Mineral Resources recognized the following leases as having an existing force majeure condition caused by Hurricane Ida for the period of August 25, 2021 through March 9, 2022 or until production is restored, whichever is first.

Mr. Bradbury further reported that the reports for each of the leases were received timely and that the operators were all instructed to submit reports no later than the first of each month on the status of efforts to restore the leases to production.

Mr. Bradbury recommended that the Board that the Board confirm recognition of force majeure for these companies and state leases.

Company	State Leases	Parish(es)
Cox Oil Company (Energy XXI GOM LLC)	1349, 2220, 2221, 4039, 4147, 15941, & 16158	Plaquemines & Saint Bernard
Hilcorp Energy Company	10439	Plaquemines
Key Operating & Production Company, LLC	16170, 16299, 16300, 16732, 17277, 17278, 17279, 18043, & 18194	Saint Bernard
Lobo Operating Inc.	16432	Plaquemines
Mack Energy Co.	17140	Lafourche
Perdido Energy LLC	1908	Lafourche
Talos ERT LLC	20581	Plaquemines

Upon motion of Mr. Watkins, seconded by Mr. Vorhoff, and by unanimous vote of the Board, the Board approved the request for recognition of force majeure condition affecting each lease listed above. There were no comments from the public on this matter. **(Resolution No. 21-12-003)**

b) NOMINATION AND TRACT REPORT
December 8, 2021
(Resolution Nos. 21-12-004)

The Board heard the report of Mr. Greg Roberts on Wednesday December 8, 2021 relative to nominations received in the Office of Mineral Resources for the December 8, 2021 Mineral Lease Sale and other matters.

Based upon Staff's recommendation, and on motion of Mr. Young, duly seconded by Mr. Vorhoff, the Board granted authority to Staff to advertise all such tracts that have been received by 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. **(Resolution No. 21-12-004)**

**c) AUDIT REPORT
December 8, 2021**

The first matter on the audit report was the election of the December 2021 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.

c) LEGAL & TITLE CONTROVERSY REPORT

THERE WERE NO ITEMS ON THIS REPORT.

**e) DOCKET REVIEW REPORT
December 8, 2021
(Resolution No(s). 21-12-005 thru 21-12-012)**

The Board heard the report from Greg Roberts on Wednesday, December 8, 2021, relative to the following:

- Category A: State Agency Leases
There were no items for this category
- Category B: State Lease Transfers
Docket Item Nos. 1 through 4
- Category C: Department of Wildlife & Fisheries State Agency Lease
There were no items for this category
- Category D: Advertised Proposals
Docket Item No. 1 through 4

Based upon the staff's recommendation, on motion of Mr. Watkins, duly seconded by Mr. Hollenshead, the Board voted to accept the following recommendations:

- Category B: State Lease Transfers
Docket Item Nos. 1 through 4
(Resolution Nos. 21-12-005 through 21-12-008)
- Category D: Advertised Proposals
Docket Item Nos. 1 through 4
(Resolution No. 21-12-009 and 21-11-012)

**VI. EXECUTIVE SESSION
(Resolution No(s). 21-12-013 thru 21-12-015)**

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

Upon motion of Mr. Hollenshead, seconded by Mr. Vorhoff, the Board Members went into Executive Session at 9:50 a.m.

Upon motion of Mr. Watkins, seconded by Mr. Vorhoff, the Board reconvened in open session at 10:48 a.m. for consideration of the following matters discussed in Executive Session:

- a. A discussion of and authority to negotiate on a proposed operating agreement between Hilcorp Energy I, L.P. affecting acreage contained in former State Lease No. 19477 in Terrebonne Parish, Louisiana

Upon motion of Mr. Hollenshead, seconded by Ms. LeBlanc, the Board granted authority to Staff and the Attorney General's office to negotiate on a proposed operating agreement between Hilcorp Energy I, L.P. affecting acreage contained in former State Lease No. 19477 in Terrebonne Parish, Louisiana as discussed in Executive Session. No comments were made by the public. **(Resolution No. 21-12-013)**

- b. A discussion of and authority to negotiate on proposed operating agreement(s) between Carbonvert Inc. and the State of Louisiana for proposed carbon sequestration projects in Cameron Parish, Louisiana

Upon motion of Mr. Vorhoff, seconded by Mr. Watkins, the Board granted authority to Staff and the Attorney General's office to negotiate on proposed operating agreement(s) between Carbonvert Inc. and the State of Louisiana for proposed carbon sequestration projects in Cameron Parish, Louisiana as discussed in Executive Session. No comments were made by the public. **(Resolution No. 21-12-014)**

- c. A discussion of and authority to negotiate on proposed operating agreements between Viridis Resources, LLC and the State of Louisiana for proposed carbon sequestration projects in Lafourche Parish, Louisiana

Upon motion of Ms. LeBlanc, seconded by Mr. Young, the Board granted authority to Staff and the Attorney General's office to negotiate on proposed operating agreements between Viridis Resources, LLC and the State of

Louisiana for proposed carbon sequestration projects in Lafourche Parish, Louisiana as discussed in Executive Session. No comments were made by the public. **(Resolution No. 21-12-015)**

- d. Update and discussion of ongoing negotiations of operating agreements for Carbon Capture & Sequestration on State owned lands and water-bottoms and for property owned by the Louisiana Department of Wildlife & Fisheries

This matter was a discussion only, and no action was taken by the Board.

- e. Technical Briefing on Bids

VII. AWARDING OF LEASES

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

There were eight (8) tracts up for bid and three (3) bids were received on three (3) of the single tracts. Staff recommended accepting all three (3) bids received.

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

Tract 45490

(Entire: 130.000 acres)

Bidder	:	CYPRESS ENERGY CORPORATION
Primary Term	:	Three (3) years
Cash Payment	:	\$364,000.00
Annual Rental	:	\$182,000.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 45491

(Portion: 171.00 acres)

Bidder	:	PRIDE OIL & GAS PROPERTIES, INC.
Primary Term	:	Three (3) years
Cash Payment	:	\$36,081.00
Annual Rental	:	\$18,040.50
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 45495
(Portion: 15.000 acres)

Bidder	:	HILCORP ENERGY I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$3,165.00
Annual Rental	:	\$1,582.50
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

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

This concluded the awarding of the leases.

VII. NEW BUSINESS

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

No new business was presented.

IX. ANNOUNCEMENTS

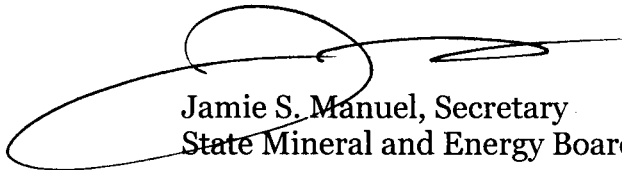
Mr. Manuel stated that the leases awarded totaled \$403,246.00 for the December 8, 2021 Lease Sale bringing the fiscal year total to \$1,877,325.25.

The Chairman thanked everyone on the Board for coming to the meeting and for their participation this past year with carbon capture sequestration agreements and that he was looking forward to working with everyone on future agreements with the State in 2022. He also wished everyone a safe holiday season and Happy New Year.

X. ADJOURNMENT

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Vorhoff, seconded by Mr. Watkins, the meeting was adjourned at 10:52 a.m.

Respectfully Submitted,


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #21-12-001

(LEASE REVIEW REPORT)

WHEREAS, on motion of Mr. Watkins, seconded by Mr. Vorhoff, the following resolution was offered and adopted:

WHEREAS, Mr. Charles Bradbury of the Office of Mineral Resources made a report on a request by Krewe Energy LLC and S2 Energy Operating LLC for a one (1) month extension of the force majeure recognition affecting State Lease Nos. 192 PP and 1772 in Timbalier Bay Field, Lafourche Parish, Louisiana;

WHEREAS, the Staff reported that these leases were originally shut-in due to hurricane damage from Hurricane Zeta and other storms; and

WHEREAS, the Staff further reported that repairs have been completed to the facilities, however, the gas pipeline company has not completed its repairs to reconnect to the facility; and

WHEREAS, the Staff recommends that the State Mineral and Energy Board grant a force majeure recognition extension for State Lease Nos. 192PP and 1772 through January 12, 2022 Board Meeting.

NOW THEREFORE BE IT RESOLVED, that the State Mineral and Energy Board hereby approves the request by Krewe Energy LLC and S2 Energy Operating LLC for extension of the force majeure recognition affecting State Lease Nos. 192 PP and 1772 in Timbalier Bay Field, Lafourche Parish, Louisiana, until the January 12, 2022 Board Meeting.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of December, 2021, of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.


JAMIE S. MANUEL, SECRETARY
LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #21-12-002

(LEASE REVIEW REPORT)

WHEREAS, on motion of Mr. Hollenshead, seconded by Mr. Watkins, the following resolution was offered and adopted:

WHEREAS, Mr. Charles Bradbury of the Office of Mineral Resources made a report on a request by Lobo Operating Inc. to the Board to accept a late shut-in payment for State Lease Nos. 16392, 16393 and 16570 in Main Pass Block 25 Field, Plaquemines Parish, Louisiana; and,

WHEREAS, the Staff reported that these leases were shut-in on June 29, 2021 due to flowline damage by a passing vessel; and

WHEREAS, the Staff further reported that the State Leases had a critical date of September 27, 2021 and would expire without the Board's acceptance of the late shut-in payment; and

WHEREAS, the Staff recommends that the State Mineral and Energy Board accept the late shut-in payment by Lobo Operating Inc. for State Lease Nos. 16392, 16393 and 16570.

NOW THEREFORE BE IT RESOLVED, that the State Mineral and Energy Board does hereby accept the late shut-in payment by Lobo Operating Inc. for State Lease Nos. 16392, 16393 and 16570 in Main Pass Block 25 Field, Plaquemines Parish, Louisiana.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of December, 2021, of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.


JAMIE S. MANUEL, SECRETARY
LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #21-12-003

(LEASE REVIEW REPORT)

WHEREAS, on motion of Mr. Watkins, seconded by Mr. Vorhoff, the following resolution was offered and adopted:

WHEREAS, Mr. Charles Bradbury of the Office of Mineral Resources reported that the following State Leases were recognized by the Office of Mineral Resources as having existing force majeure conditions caused by Hurricane Ida for the period of August 25, 2021 through March 9, 2022 or until production is restored, whichever occurs first:

Company	State Leases	Parish(es)
Cox Oil Company (Energy XXI GOM LLC)	1349, 2220, 2221, 4039, 4147, 15941, 16158	Plaquemines, Saint Bernard
Hilcorp Energy Company	10439	Plaquemines
Key Operating & Production Company, LLC	16170, 16299, 16300, 16732, 17277, 17278, 17279, 18043, 18194	Saint Bernard
Lobo Operating Inc.	16432	Plaquemines
Mack Energy Co.	17140	Lafourche
Perdido Energy LLC	1908	Lafourche
Talos ERT LLC	20581	Plaquemines

WHEREAS, the Staff recognized the timely notification of the force majeure event on these State Leases until production is restored or until the March 9, 2022 Board Meeting, whichever occurs first; and

WHEREAS, the Staff has instructed the Operators to submit reports no later than the first of each month on the status of efforts to restore the State Leases to production; and

WHEREAS, the Staff recommends that the Board confirm the force majeure recognition of these State Leases for the period of August 25, 2021 through March 9, 2022 or until production is restored, whichever occurs first.

NOW THEREFORE BE IT RESOLVED, that the State Mineral and Energy Board confirms recognition of force majeure event requested for the State Leases listed above until production has been restored or until the March 9, 2022 Board Meeting, whichever occurs first.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of December, 2021, of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.


JAMIE S. MANUEL, SECRETARY
LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Authority to Advertise
Tracts for the February
9,
2022 Lease Sale

RESOLUTION #21-12-004

(NOMINATION AND TRACT REPORT)

WHEREAS, Mr. Greg Roberts reported that Six (6) tract(s) were nominated for the February 9, 2022 Mineral Lease Sale, and requested that same be advertised pending staff review;

ON MOTION of **Mr. Young**, seconded by **Mr. Vorhoff**, 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 February 9, 2022 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 staff of 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 8th day of December 2021, 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.


Jamie S. Manuel, Secretary
Louisiana State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #21-12-005

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket item No. 1 from the December 8, 2021 meeting be approved, said being an Assignment from Vansant Resources, LLC to Welch Energy, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 321692, 21693, 21694 and 21695, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

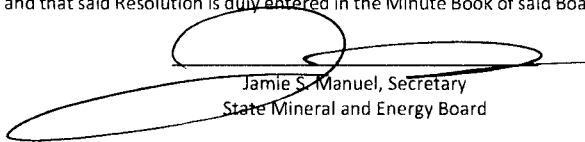
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of December, 2021, 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.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #21-12-006

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the December 8, 2021 meeting be approved, said being an Assignment from Transfuel Resources Company to J.P. Oil Company, Inc., an undivided one half (1/2) of Assignor's right, title and interest in and to State Lease No. 1466, St. Landry Parish, Louisiana, with further particulars being stipulated in the instrument.

J. P. Oil Company, Inc. is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

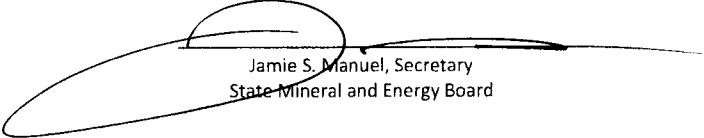
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of December, 2021, 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.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #21-12-007

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the December 8, 2021 meeting be approved, said being an Assignment from Whiting Oil & Gas Corporation to J. P. Oil Company, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 1466 and 2344, St. Landry Parish, Louisiana, with further particulars being stipulated in the instrument.

J. P. Oil Company, LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

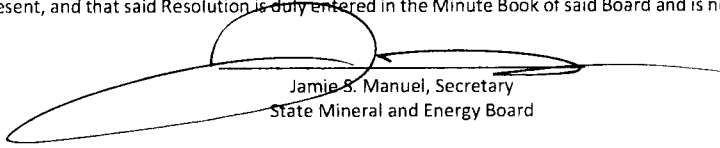
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of December, 2021, 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.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #21-12-008

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the December 8, 2021 meeting be approved, said being an Assignment from Riviera Upstream, LLC to TYGR Energy Partners I, LLC, of all of Assignor's right, title and interest in and to State Lease No. 4477, Catahoula Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

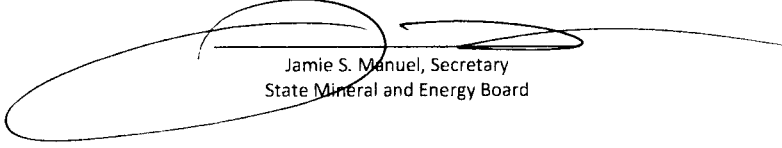
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of December, 2021, 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.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #21-12-009

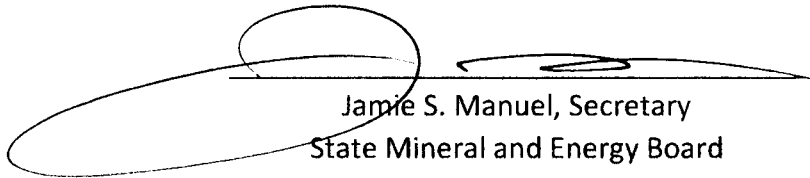
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 21-16 from the December 8, 2021 meeting be approved, said instrument being a Second Lease Extension and Amendment by and between the State of Louisiana and Six Pines Exploration, LLC, et al, whereas said parties desire to amend and extend the primary term from five (5) years to seven (7) years, affecting State Lease No. 21692, 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 of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of December, 2021 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.



Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #21-12-010

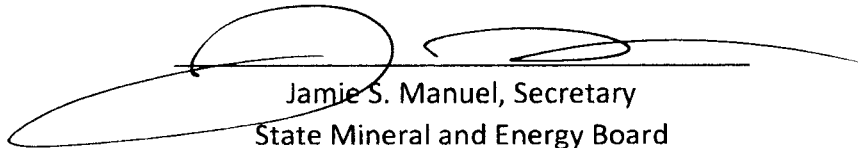
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 21-17 from the December 8, 2021 meeting be approved, said instrument being a Second Lease Extension and Amendment by and between the State of Louisiana and Six Pines Exploration, LLC, et al, whereas said parties desire to amend and extend the primary term from five (5) years to seven (7) years, affecting State Lease No. 21693, 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 of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of December, 2021 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.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #21-12-011

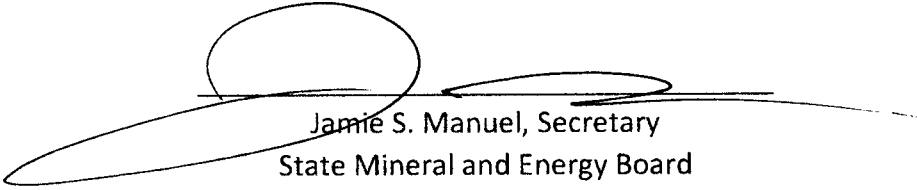
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 21-18 from the December 8, 2021 meeting be approved, said instrument being a Second Lease Extension and Amendment by and between the State of Louisiana and Six Pines Exploration, LLC, et al, whereas said parties desire to amend and extend the primary term from five (5) years to seven (7) years, affecting State Lease No. 21694, 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 of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of December, 2021 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.



Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #21-12-012

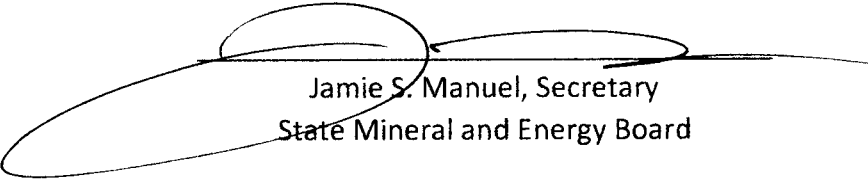
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 21-19 from the December 8, 2021 meeting be approved, said instrument being a Second Lease Extension and Amendment by and between the State of Louisiana and Six Pines Exploration, LLC, et al, whereas said parties desire to amend and extend the primary term from five (5) years to seven (7) years, affecting State Lease No. 21695, 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 of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of December, 2021 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.



Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion
Re: Discussion of and authority to
negotiate on a proposed operating
agreement between Hilcorp Energy I,
L.P. affecting acreage contained in
former State Lease No. 19477 in
Terrebonne Parish, Louisiana

RESOLUTION # 21-12-013

(EXECUTIVE SESSION)

WHEREAS, a discussion of and authority to negotiate on a proposed operating agreement between Hilcorp Energy I, L.P. affecting acreage contained in former State Lease No. 19477 in Terrebonne Parish, Louisiana was held in Executive Session;

ON MOTION of Mr. Hollenshead, seconded by Ms. LeBlanc, 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 granted authority to Staff and the Attorney General's office to negotiate on a proposed operating agreement between Hilcorp Energy I, L.P. affecting acreage contained in former State Lease No. 19477 in Terrebonne Parish, Louisiana 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 8th day of December, 2021 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.



JAMIE S. MANUEL, SECRETARY
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion
Re: Discussion of and authority to
negotiate on proposed operating
agreement(s) between Carbonvert Inc.
and the State of Louisiana for proposed
carbon sequestration projects in
Cameron Parish, Louisiana

RESOLUTION # 21-12-014

(EXECUTIVE SESSION)

WHEREAS, a discussion of and authority to negotiate on proposed operating agreement(s) between Carbonvert Inc. and the State of Louisiana for proposed carbon sequestration projects in Cameron Parish, Louisiana was held in Executive Session;

ON MOTION of Mr. Vorhoff, 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 granted authority to Staff and the Attorney General's office to negotiate on proposed operating agreement(s) between Carbonvert Inc. and the State of Louisiana for proposed carbon sequestration projects in Cameron Parish, Louisiana 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 8th day of December, 2021 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.



JAMIE S. MANUEL, SECRETARY
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion
Re: Discussion of and authority to
negotiate on proposed operating
agreements between Viridis Resources,
LLC and the State of Louisiana for
proposed carbon sequestration projects
in Lafourche Parish, Louisiana

RESOLUTION # 21-12-015

(EXECUTIVE SESSION)

WHEREAS, a discussion of and authority to negotiate on proposed operating agreements between Viridis Resources, LLC and the State of Louisiana for proposed carbon sequestration projects in Lafourche Parish, Louisiana, was held in Executive Session;

ON MOTION of Ms. LeBlanc, 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 granted authority to Staff and the Attorney General's office to negotiate on proposed operating agreements between Viridis Resources, LLC and the State of Louisiana for proposed carbon sequestration projects in Lafourche Parish, Louisiana 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 8th day of December, 2021 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.



JAMIE S. MANUEL, SECRETARY
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #21-11-016

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the November 10, 2021 meeting be approved, said being an Assignment from Chesapeake Louisiana, L.P. to EXCO Operating Company, LP, of all of Assignor's right, title and interest in and to State Lease Agency No. 19831, DeSoto Parish, Louisiana, with further particulars being stipulated in the instrument.

EXCO Operating Company, LP is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

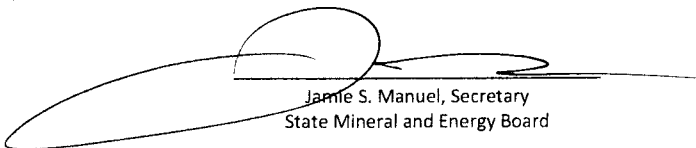
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of November, 2021, 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.


Jamie S. Manuel, Secretary
State Mineral and Energy Board