

# **MINUTES**

## **STATE MINERAL AND ENERGY BOARD**

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

**APRIL 13, 2011**

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on Wednesday, April 13, 2011, beginning at 11:05 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

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

W. Paul Segura, Jr., Vice-Chairman  
Thomas L. Arnold, Jr.  
Emile B. Cordaro  
John C. "Juba" Diez  
Robert "Michael" Morton  
Thomas W. Sanders  
Darryl D. Smith  
Helen G. Smith  
Robert Harper, DNR Undersecretary (sitting in for Chairman Scott A. Angelle)  
Chip Kline (sitting in for Garret Graves, Governor Jindal's designee to the Board)

The following members of the Board were recorded as absent:

Scott A. Angelle, Chairman  
Bay E. Ingram

Ms. Talley announced that ten (10) members of the Board were present and that a quorum was established.

Also recorded as present were:

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

The Chairman then stated that the next order of business was the approval of the March 9, 2011 Minutes. A motion was made by Mr. Smith to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Sanders and unanimously adopted by the Board. (No public comment was made at this time.)

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

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

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

The Chairman then announced that the Board would recess its regular meeting at 11:07 a.m. and go into executive session for technical briefing in order to consider matters before the Board which were confidential in nature. A motion was made by Mr. Arnold, seconded by Mr. Diez, and unanimously adopted by the Board.

During the technical briefing, the Board conferred with staff personnel concerning the merit of the bids that were submitted and opened earlier today at a public meeting\*, based on geological, engineering and other confidential data and analyses available to the Board and staff, after which, upon motion of Mr. Arnold, seconded by Mr. Sanders, and unanimously adopted by the Board, the Board reconvened in open session at 11:15 a.m.

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

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

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 42012, said portion being 235.4 acres more particularly described in said bid and outlined on accompanying plat, to Destin Resources LLC-50% and Reserves Management, L.C.-50%, a joint bid.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to reject the bid on Tract 42014 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42018 to Belle Exploration, Inc.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42022 to Anadarko E & P Company, L.P.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42023 to Anadarko E & P Company, L.P.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42024 to Anadarko E & P Company, L.P.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42025 to Anadarko E & P Company, L.P.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42026 to Anadarko E & P Company, L.P.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42030 to Anadarko E & P Company, L.P.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42032 to Anadarko E & P Company, L.P.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42033 to Anadarko E & P Company, L.P.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42034 to Anadarko E & P Company, L.P.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42035 to Anadarko E & P Company, L.P.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42037 to Anadarko E & P Company, L.P.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42038 to Anadarko E & P Company, L.P.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42040 to Ric Bajon & Associates.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 42041, said portion being 525.0 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC. As to the portion bid by Zeneco, Inc., the bid overlapped the bid by Theophilus Oil, Gas & Land Services, LLC. Therefore, Zeneco, Inc., after the property descriptions were finalized, was granted the option to take the lease on the property which it bid at its bid price, less and except the overlapped area which was in the bid containing 525.0 acres by Theophilus Oil, Gas & Land Services, LLC.



Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 42042, said portion being 111.0 acres more particularly described in said bid and outlined on accompanying plat, to Zenergy, Inc.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on another portion of Tract 42042, said portion being 512.0 acres more particularly described in said bid and outlined on accompanying plat, to Zenergy, Inc.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42047 to QEP Energy Company.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 42049 to Classic Petroleum, Inc.

This concluded the awarding of the leases.

At this time, the Chairman offered the following resolution concerning delegation of authority to sign documents on behalf of the Board.

**ON MOTION OF Mr. Arnold**, duly seconded by **Mr. Sanders**, the following resolution was adopted by the Louisiana State Mineral and Energy Board, with Robert Harper abstaining, to-wit:

**WHEREAS**, pursuant to Louisiana Revised Statutes 30:135, the Office of Mineral Resources has the duty to provide the necessary staff functions to assist the Louisiana State Mineral and Energy Board in its leasing, supervisory, and other activities, and the Assistant Secretary of the Office of Mineral Resources is also designated as the Secretary of the State Mineral and Energy Board; and

**WHEREAS**, pursuant to Louisiana Revised Statutes 36:357(C), the Assistant Secretary of the Office of Mineral Resources is instructed to appoint and assign such personnel as is necessary for the efficient administration of the office and its programs and the performance of its powers, duties, functions, and responsibilities; and

**WHEREAS**, at present the Office of Mineral Resources has no appointed Assistant Secretary; and

**WHEREAS**, pursuant to Louisiana Revised Statutes 36:353, the Secretary of the Department of Natural Resources shall be an ex officio member of the State Mineral and Energy Board; and

**WHEREAS**, the Louisiana State Mineral and Energy Board appointed the Secretary of the Department of Natural Resources, Scott Angelle, as its Chairman at its regular Mineral and Energy Board meeting on December 8, 2010; and

**WHEREAS**, the Chairman of the Louisiana State Mineral and Energy Board has the authority to sign any and all documents necessary to carry out the will and purpose of the Board; and

**WHEREAS**, pursuant to Louisiana Revised Statutes 30:121(C), the deputy secretary or undersecretary of the Department of Natural Resources may serve as a proxy member of the board in the absence of the secretary with full authority to act for the secretary as a member of the board; and

**WHEREAS**, the Secretary of the Department of Natural Resources, Scott Angelle, has designated and assigned the Under Secretary, Robert D. Harper, to act in his place and stead as an ex officio member of the Louisiana State Mineral and Energy Board when his other duties prevent him from attending the monthly Mineral and Energy Board meeting; and

**WHEREAS**, the efficient administration of the Office of Mineral Resources, and particularly the duties with respect to the signing of documents on behalf of the State Mineral and Energy Board, would be best served by authorizing the Chairman to delegate supplemental authority to an executive officer to sign documents on behalf of the said Board; and

**WHEREAS**, Victor Marx Vaughn, Geologist Administrator, has a long and distinguished record of outstanding service to the Office of Mineral Resources and the Louisiana State Mineral and Energy Board; and

**NOW, THEREFORE, BE IT RESOLVED**, that the Louisiana State Mineral and Energy Board does hereby designate and name Victor Marx Vaughn to serve as an executive officer to the Board and, further, does hereby authorize Acting Chairman, Robert D. Harper, as the proxy of Chairman, Scott Angelle, and Victor Marx Vaughn, as executive officer to the Board, to sign any documents necessary to effectuate the will and purpose of the Louisiana State Mineral and Energy Board, including, but not limited to, resolutions, mineral leases, policy statements, and certifications of copied documents.

**(A signed copy of the Resolution is hereby attached and made a part of the Minutes by reference.)**

The Chairman then offered the following special resolution thanking Mr. Jody Montelaro, former Secretary to the Board, for his services to the Board and staff.

**ON MOTION OF Mr. Segura**, duly seconded by The Entire Board, the following Resolution was proposed and unanimously adopted by the Louisiana State Mineral and Energy Board, to-wit:

**WHEREAS**, while serving as senior policy advisor to Governor Bobby Jindal on matters involving the Department of Natural Resources, the Department of Environmental Quality, the Department of Wildlife and Fisheries, the Department of Agriculture and the Department of State Corrections and State Police, **Jody Montelaro** was given additional responsibility on being appointed by Governor Jindal as Assistant Secretary for the Office of Mineral Resources on September 9, 2010; and

**WHEREAS**, utilizing his ability to quickly assimilate the myriad aspects of a situation, make incisive analysis and propose or direct an appropriate, cogent resolution, the trait which made him a valuable advisor to the Governor, **Jody Montelaro** assumed the duties and responsibilities of Assistant Secretary seamlessly at a time when the fractious nature of the oil and gas industry in Louisiana required a cautious, albeit firm interface with the Louisiana State Mineral and Energy Board and its staff, the Office of Mineral Resources; and

**WHEREAS**, throughout his brief tenure at the helm of the Office of Mineral Resources, **Jody Montelaro** made optimal use of the in-house experience, expertise and institutional knowledge of OMR staff to successfully further the mission of the Office of Mineral Resources through the Louisiana State Mineral and Energy Board by prudently managing the development of mineral assets derived from state-owned lands and water bottoms to realize a maximum tangible return to the state; and

**WHEREAS**, despite budgetary and personnel reductions in the staff of the Office of Mineral Resources due to economic constraints, through his acumen in regards to personnel management, and persistent defense of both the role and abilities of the staff of OMR, **Jody Montelaro** successfully enabled OMR to maintain the high caliber of service to the state and to the public for which it is justifiably lauded.

**NOW THEREFORE, BE IT RESOLVED**, that the Louisiana State Mineral and Energy Board, and the individual members thereof, deem it an honor and a privilege to have worked and been associated with, as well as to have received the benefit of his intimate knowledge of and experience with the legislative arena from, **Jody Montelaro**, and to have engendered his friendship.

**BE IT FURTHER RESOLVED** that the State of Louisiana, the Louisiana State Mineral and Energy Board and the Office of Mineral Resources is indebted to **Jody Montelaro** for his willingness to give of his time, experience, knowledge and capacity for assuming the sometimes thankless tasks required of government service. We give you our heartfelt thanks and wish you all good things in your pursuit of new challenges in the private sector.

**(A signed copy of the Resolution is hereby attached and made a part of the Minutes by reference.)**

At this time, the Chairman stated that the quarterly Mineral Revenue and Production Report was being provided to the members for their information and review. **(The report is hereby attached and made a part of the Minutes by reference.)** Also, a draft document is being provided for your review.

The following announcements were then made:

Ms. Talley stated that "the annual oil and gas conference, SONRIS to Sunset Conference, will be held August 29<sup>th</sup> & 30<sup>th</sup> at the Roosevelt Hotel in New Orleans this year. We have copies of our exhibitor

information sheet in the back. We are still working on the agenda and hope to distribute those by the next board meeting.

The results of today's Lease Sale in total bonuses was \$2,421,564.66 which brings the fiscal year total to \$38,413,765.38."

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Arnold, seconded by Mr. Sanders, the meeting was adjourned at 11:30 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Victor M. Vaughn". The signature is fluid and cursive, with a prominent initial "V" and a long, sweeping tail.

Victor M. Vaughn  
Executive Officer  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

**ON MOTION OF** Mr. Arnold, duly seconded by Mr. Sanders, the following resolution was adopted by the Louisiana State Mineral and Energy Board, with Robert Harper abstaining, to-wit:

**WHEREAS**, pursuant to Louisiana Revised Statutes 30:135, the Office of Mineral Resources has the duty to provide the necessary staff functions to assist the Louisiana State Mineral and Energy Board in its leasing, supervisory, and other activities, and the Assistant Secretary of the Office of Mineral Resources is also designated as the Secretary of the State Mineral and Energy Board; and

**WHEREAS**, pursuant to Louisiana Revised Statutes 36:357(C), the Assistant Secretary of the Office of Mineral Resources is instructed to appoint and assign such personnel as is necessary for the efficient administration of the office and its programs and the performance of its powers, duties, functions, and responsibilities; and

**WHEREAS**, at present the Office of Mineral Resources has no appointed Assistant Secretary; and

**WHEREAS**, pursuant to Louisiana Revised Statutes 36:353, the Secretary of the Department of Natural Resources shall be an ex officio member of the State Mineral and Energy Board; and

**WHEREAS**, the Louisiana State Mineral and Energy Board appointed the Secretary of the Department of Natural Resources, Scott Angelle, as its Chairman at its regular Mineral and Energy Board meeting on December 8, 2010; and

**WHEREAS**, the Chairman of the Louisiana State Mineral and Energy Board has the authority to sign any and all documents necessary to carry out the will and purpose of the Board; and

**WHEREAS**, pursuant to Louisiana Revised Statutes 30:121(C), the deputy secretary or undersecretary of the Department of Natural Resources may serve as a proxy member of the board in the absence of the secretary with full authority to act for the secretary as a member of the board; and

**WHEREAS**, the Secretary of the Department of Natural Resources, Scott Angelle, has designated and assigned the Under Secretary, Robert D. Harper, to act in his place and stead as an ex officio member of the Louisiana State Mineral and Energy Board when his other duties prevent him from attending the monthly Mineral and Energy Board meeting; and

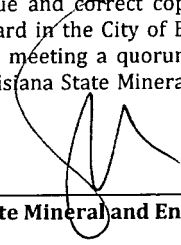
**WHEREAS**, the efficient administration of the Office of Mineral Resources, and particularly the duties with respect to the signing of documents on behalf of the State Mineral and Energy Board, would be best served by authorizing the Chairman to delegate supplemental authority to an executive officer to sign documents on behalf of the said Board; and

**WHEREAS**, Victor Marx Vaughn, Geologist Administrator, has a long and distinguished record of outstanding service to the Office of Mineral Resources and the Louisiana State Mineral and Energy Board; and

**NOW, THEREFORE, BE IT RESOLVED**, that the Louisiana State Mineral and Energy Board does hereby designate and name Victor Marx Vaughn to serve as an executive officer to the Board and, further, does hereby authorize Acting Chairman, Robert D. Harper, as the proxy of Chairman, Scott Angelle, and Victor Marx Vaughn, as executive officer to the Board, to sign any documents necessary to effectuate the will and purpose of the Louisiana State Mineral and Energy Board, including, but not limited to, resolutions, mineral leases, policy statements, and certifications of copied documents.

### 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 13<sup>th</sup> day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Louisiana State Mineral and Energy Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

**ON MOTION OF Mr. Segura**, duly seconded by The Entire Board, the following Resolution was proposed and unanimously adopted by the Louisiana State Mineral and Energy Board, to-wit:

**WHEREAS**, while serving as senior policy advisor to Governor Bobby Jindal on matters involving the Department of Natural Resources, the Department of Environmental Quality, the Department of Wildlife and Fisheries, the Department of Agriculture and the Department of State Corrections and State Police, **Jody Montelaro** was given additional responsibility on being appointed by Governor Jindal as Assistant Secretary for the Office of Mineral Resources on September 9, 2010; and

**WHEREAS**, utilizing his ability to quickly assimilate the myriad aspects of a situation, make incisive analysis and propose or direct an appropriate, cogent resolution, the trait which made him a valuable advisor to the Governor, **Jody Montelaro** assumed the duties and responsibilities of Assistant Secretary seamlessly at a time when the fractious nature of the oil and gas industry in Louisiana required a cautious, albeit firm interface with the Louisiana State Mineral and Energy Board and its staff, the Office of Mineral Resources; and

**WHEREAS**, throughout his brief tenure at the helm of the Office of Mineral Resources, **Jody Montelaro** made optimal use of the in-house experience, expertise and institutional knowledge of OMR staff to successfully further the mission of the Office of Mineral Resources through the Louisiana State Mineral and Energy Board by prudently managing the development of mineral assets derived from state-owned lands and water bottoms to realize a maximum tangible return to the state; and


**WHEREAS**, despite budgetary and personnel reductions in the staff of the Office of Mineral Resources due to economic constraints, through his acumen in regards to personnel management, and persistent defense of both the role and abilities of the staff of OMR, **Jody Montelaro** successfully enabled OMR to maintain the high caliber of service to the state and to the public for which it is justifiably lauded.

**NOW THEREFORE, BE IT RESOLVED**, that the Louisiana State Mineral and Energy Board, and the individual members thereof, deem it an honor and a privilege to have worked and been associated with, as well as to have received the benefit of his intimate knowledge of and experience with the legislative arena from, **Jody Montelaro**, and to have engendered his friendship.

**BE IT FURTHER RESOLVED** that the State of Louisiana, the Louisiana State Mineral and Energy Board and the Office of Mineral Resources is indebted to **Jody Montelaro** for his willingness to give of his time, experience, knowledge and capacity for assuming the sometimes thankless tasks required of government service. We give you our heartfelt thanks and wish you all good things in your pursuit of new challenges in the private sector.

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State Mineral and Energy Board

**THE FOLLOWING BID OPENING MEETING REPORT,  
COMMITTEE REPORTS, RESOLUTIONS AND  
MINERAL REVENUE AND PRODUCTION REPORT  
WERE MADE A PART OF THE APRIL 13, 2011 MINUTES  
BY REFERENCE**

A public meeting for the purpose of opening sealed bids was held on Wednesday, April 13, 2011, beginning at 8:30 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

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

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

April 13, 2011

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

Gentlemen:

Certified proofs of publication have been received in the Office of Mineral Resources on behalf of the State Mineral and Energy Board for the State of Louisiana from the "Advocate," official journal for the State of Louisiana, and from the respective parish journals as evidence that Tract Nos. 42009 through 42050 have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended.

Yours very truly,

(Original signed)

Frederick D. Heck  
Director  
Petroleum Lands Division



Mr. Vaughn then stated that there were five (5) letters of protest received and had been examined by legal counsel for the Board who advised that the Board was in a position to consider bids and award a lease on the protested tracts if so desired. Mr. Vaughn stated that the letters of protest were as follows:

1. Williams, Inc., dated March 3, 2011, involving Tract No. 42041.
2. Williams Land Company, L.L.C., dated March 3, 2011, involving Tract No. 42041.
3. Williams, Inc., dated March 3, 2011, involving Tract No. 42042.
4. Williams Land Company, L.L.C., dated March 3, 2011, involving Tract No. 42042.
5. Miami Corporation, dated March 21, 2011, involving Tract Nos. 42041, 42042, 42043 & 42044.

The Letters of Protest are hereby attached and made a part of the Minutes by reference.

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

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

OFFSHORE TRACTS

Tract 42009

No Bids

Tract 42010

No Bids

Tract 42011

No Bids

Tract 42012  
(Portion – 235.4 acres)

Bidder	:	Destin Resources LLC – 50% Reserves Management, L.C. – 50%
Primary Term	:	Five (5) years
Cash Payment	:	\$42,372.00
Annual Rental	:	\$21,186.00
Royalties	:	21% on oil and gas 21% on other minerals
Additional Consideration	:	None

INLAND TRACTS

Tract 42013

No Bids

Tract 42014

Bidder	:	Keba Energy LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$25,800.00
Annual Rental	:	\$12,900.00
Royalties	:	20.00% on oil and gas 20.00% on other minerals
Additional Consideration	:	None

Tract 42015

No Bids

Tract 42016

No Bids

Tract 42017

No Bids

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Tract 42018

Bidder	:	Belle Exploration, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$360.00
Annual Rental	:	\$180.00
Royalties	:	21.0% on oil and gas
	:	21.0% on other minerals
Additional Consideration	:	None

Tract 42019

No Bids

Tract 42020

No Bids

Tract 42021

No Bids

Tract 42022

Bidder	:	Anadarko E & P Company, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$9,037.03
Annual Rental	:	\$4,518.81
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42023

Bidder	:	Anadarko E & P Company, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$8,057.82
Annual Rental	:	\$4,029.14
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

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Tract 42024

Bidder	:	Anadarko E & P Company, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$10,109.22
Annual Rental	:	\$5,054.94
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42025

Bidder	:	Anadarko E & P Company, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$22,947.27
Annual Rental	:	\$11,474.29
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42026

Bidder	:	Anadarko E & P Company, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$15,414.96
Annual Rental	:	\$7,707.92
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42027

No Bids

Tract 42028

No Bids

Tract 42029

No Bids

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Tract 42030

Bidder	:	Anadarko E & P Company, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$4,901.44
Annual Rental	:	\$2,450.88
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42031

No Bids

Tract 42032

Bidder	:	Anadarko E & P Company, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$6,126.80
Annual Rental	:	\$3,063.60
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42033

Bidder	:	Anadarko E & P Company, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$9,284.01
Annual Rental	:	\$4,642.27
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42034

Bidder	:	Anadarko E & P Company, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$137,393.49
Annual Rental	:	\$68,701.23
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

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Tract 42035

Bidder	:	Anadarko E & P Company, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$5,207.78
Annual Rental	:	\$2,604.06
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42036

No Bids

Tract 42037

Bidder	:	Anadarko E & P Company, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$9,037.03
Annual Rental	:	\$4,518.81
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42038

Bidder	:	Anadarko E & P Company, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$123,301.85
Annual Rental	:	\$61,654.95
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42039

No Bids

Tract 42040

Bidder	:	Ric Bajon & Associates
Primary Term	:	Three (3) years
Cash Payment	:	\$1,813.00
Annual Rental	:	\$906.50
Royalties	:	25.75% on oil and gas
	:	25.75% on other minerals
Additional Consideration	:	None

Tract 42041  
(Portion – 525.0 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$211,050.00
Annual Rental	:	\$105,525.00
Royalties	:	25.5% on oil and gas
	:	25.5% on other minerals
Additional Consideration	:	None

Tract 42041  
(Portion – 602.0 acres)

Bidder	:	Zeneco, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$184,814.00
Annual Rental	:	\$92,407.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42042  
(Portion – 111.0 acres)

Bidder	:	Zenergy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$67,377.00
Annual Rental	:	\$33,688.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42042  
(Portion – 512.0 acres)

Bidder	:	Zenergy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$336,384.00
Annual Rental	:	\$168,192.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42042

Bidder	:	Zeneco, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$378,161.00
Annual Rental	:	\$189,080.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42042

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$312,746.00
Annual Rental	:	\$156,373.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42043

No Bids

Tract 42044

No Bids

Tract 42045

No Bids

Tract 42046

No Bids



STATE AGENCY TRACTS

Tract 42047

Bidder	:	QEP Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$72,100.00
Annual Rental	:	\$36,050.00
Royalties	:	1/4th on oil and gas
	:	1/4th on other minerals
Additional Consideration	:	None

Tract 42048

No Bids

Tract 42049

Bidder	:	Classic Petroleum, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$1,153,760.00
Annual Rental	:	\$576,880.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

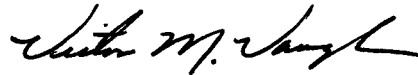
Tract 42050

No Bids

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 9:00 a.m.

Respectfully submitted,



Victor M. Vaughn  
Executive Officer  
State Mineral and Energy Board

*Williams, Inc.*  
*Land Office*  
*107 McGee Drive*  
*P. O. Box 460*  
*Patterson, La. 70392*  
March 3, 2011

*Telephone*  
*(985) 895-9576*  
*Telecopier*  
*(985) 895-9578*

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Office of Mineral Resources  
State Land and Natural Resources Building  
Post Office Box 2827  
Baton Rouge, Louisiana 70821

RE: Proposed State Lease Sale on Tract 42041  
St. Mary Parish, Louisiana

Gentlemen:

We have received notice of a proposed mineral lease sale for April 13, 2011, relating to the captioned tract, which sale will include "all of the lands now or formerly constituting the beds and bottoms of all waterbodies of every nature and description, and all islands and other lands formed by accretion or reliction".

Williams, Inc. is a private landowner with lands in Sections 9, 10, 11 & 12, T15S-R8E, St. Mary Parish, included within the proposed Tract 42041. There are no State-owned lands, or lands now or formerly constituting the beds or bottoms of waterbodies located on or within the lands of Williams, Inc. located within proposed Tract 42041. Additionally, portions of Williams, Inc. lands located within Tract 42041 are located adjacent to the beds of streams from which accretion has attached to the adjacent lands. As a matter of Louisiana law, the accretion is owned by the adjacent private landowner. To the extent that the notice for Tract 42041 purports to state a land ownership claim by the State of Louisiana to our fee lands in Sections 9, 10, 11 & 12, T15S-R8E and/or any accretion or reliction attached thereto, Williams, Inc. objects to and opposes the proposed lease.

I will be available to review and discuss this matter with representatives of the State Mineral Board, or the proposed Lessee.

Very truly yours,

WILLIAMS, INC.



Rudy C. Sparks  
Vice President

2011 MAR 11 PM 12:54  
OFFICE OF  
STATE MINERAL RESOURCES  
STATE MINERAL BOARD  
BATON ROUGE, LA 70821

RCS/dh

cc: New Orleans office

WILLIAMS LAND COMPANY, L.L.C.

P. O. Box 460  
Patterson, LA 70392

March 3, 2011

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Office of Mineral Resources  
State Land and Natural Resources Building  
Post Office Box 2827  
Baton Rouge, Louisiana 70821

RE: Proposed State Lease Sale on Tract 42041  
St. Mary Parish, Louisiana

Gentlemen:

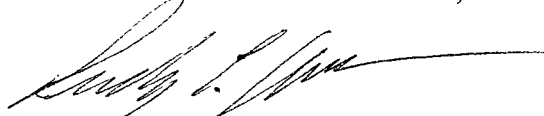
We have received notice of a proposed lease sale for April 13, 2011, relating to the captioned tract, which sale will include "all of the lands now or formerly constituting the beds and bottoms of all waterbodies of every nature and description, and all islands and other lands formed by accretion or reliction".

Williams Land Company, L.L.C. owns the minerals in certain lands in Sections 9, 10, 11 & 12, T15S-R8E, St. Mary Parish, included within the proposed Tract 42041. There are no State-owned lands, or lands now or formerly constituting the beds or bottoms of waterbodies located on or within the lands in which Williams Land Company, L.L.C. owns the minerals located within proposed Tract 42041. Additionally, portions of the lands in which Williams Land Company, L.L.C. owns the minerals that lie within Tract 42041 are located adjacent to the beds of streams from which accretion has attached to the adjacent lands. As a matter of Louisiana law, the accretion is owned by the adjacent private landowner. To the extent that the notice for Tract 42041 purports to state a land ownership claim by the State of Louisiana affecting Williams Land Company, L.L.C.'s mineral interest in the properties in Sections 9, 10, 11 & 12, T15S-R8E and/or any accretion or reliction attached thereto, Williams Land Company, L.L.C. objects to and opposes the proposed lease.

I will be available to review and discuss this matter with representatives of the State Mineral Board, or the proposed Lessee.

Very truly yours,

WILLIAMS LAND COMPANY, L.L.C.



Rudy C. Sparks  
Vice President

RCS/dh  
cc: New Orleans office

107 McGee Drive, Patterson, LA 70392  
Phone: (985) 395-9576 Fax: (985) 395-9578

*Williams, Inc.*  
*Land Office*  
*107 Mc Gee Drive*  
*P. O. Box 460*  
*Latterson, La. 70392*

March 3, 2011

*Telephone*  
*(985) 895-9576*  
*Telecopier*  
*(985) 895-9578*

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Office of Mineral Resources  
State Land and Natural Resources Building  
Post Office Box 2827  
Baton Rouge, Louisiana 70821

RE: Proposed State Lease Sale on Tract 42042  
St. Mary Parish, Louisiana

Gentlemen:

We have received notice of a proposed mineral lease sale for April 13, 2011, relating to the captioned tract, which sale will include "all of the lands now or formerly constituting the beds and bottoms of all waterbodies of every nature and description, and all islands and other lands formed by accretion or reliction".

Williams, Inc. is a private landowner with lands in Section 33, T14S-R9E and Sections 16 & 17, T15S-R9E, St. Mary Parish, included within the proposed Tract 42042. There are no State-owned lands, or lands now or formerly constituting the beds or bottoms of waterbodies located on or within the lands of Williams, Inc. located within proposed Tract 42042. To the extent that the notice for Tract 42042 purports to state a land ownership claim by the State of Louisiana affecting Williams, Inc.'s properties in Section 33, T14S-R9E and Sections 16 & 17, T15S-R9E, Williams, Inc. objects to and opposes the proposed lease.

I will be available to review and discuss this matter with representatives of the State Mineral Board, or the proposed Lessee.

Very truly yours,

WILLIAMS, INC.



Rudy C. Sparks  
Vice President

RCS/dh

cc: New Orleans office

WILLIAMS LAND COMPANY, L.L.C.

P. O. Box 460  
Patterson, LA 70392

March 3, 2011

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Office of Mineral Resources  
State Land and Natural Resources Building  
Post Office Box 2827  
Baton Rouge, Louisiana 70821

RE: Proposed State Lease Sale on Tract 42042  
St. Mary Parish, Louisiana

Gentlemen:

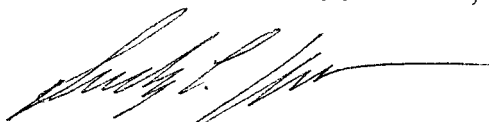
We have received notice of a proposed mineral lease sale for April 13, 2011, relating to the captioned tract, which sale will include "all of the lands now or formerly constituting the beds and bottoms of all waterbodies of every nature and description, and all islands and other lands formed by accretion or reliction".

Williams Land Company, L.L.C. owns the minerals in certain lands in Section 33, T14S-R9E and Sections 16 & 17, T15S-R9E, St. Mary Parish, included within the proposed Tract 42042. There are no State-owned lands, or lands now or formerly constituting the beds or bottoms of waterbodies located on or within the lands in which Williams Land Company, L.L.C. owns the minerals located within proposed Tract 42042. To the extent that the notice for Tract 42042 purports to state a land ownership claim by the State of Louisiana affecting Williams Land Company, L.L.C.'s mineral interest in properties in Section 33, T14S-R9E and Sections 16 & 17, T15S-R9E, Williams Land Company, L.L.C. objects to and opposes the proposed lease.

I will be available to review and discuss this matter with representatives of the State Mineral Board, or the proposed Lessee.

Very truly yours,

WILLIAMS LAND COMPANY, L.L.C.



Rudy C. Sparks  
Vice President

RCS/dh

cc: New Orleans office

MIAMI CORPORATION  
666 S. EUGENE STREET  
SUITE B  
BATON ROUGE, LOUISIANA 70806-5470  
----  
TELEPHONE (225) 377-2033  
FAX (225) 377-8562

RECEIVED  
OFFICE OF  
MINERAL RESOURCES  
STATE MINERAL BOARD

2011 MAR 24 PM 1:37

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

March 21, 2011

Department of Natural Resources  
Office of Mineral Resources  
State Mineral Board  
Post Office Box 2827  
Baton Rouge, Louisiana 70821-2827

Re: Tract Nos. 42041, 42042, 42043 and 42044  
St. Mary Parish, Louisiana  
April 13, 2011 State Lease Sale

Gentlemen:

It has come to our attention that Tract Nos. 42041, 42042, 42043 and 42044 are being advertised for lease at the upcoming April 13, 2011 State lease sale.

Without waiver of any rights, Miami Corporation represents that it is the owner of parts of the land located within these Tracts. We therefore protest the advertising of any such Miami Corporation interests within these Tracts.

Accordingly, we hereby request that the subject Tracts be withdrawn from the April 13, 2011 lease sale. In the event that you do not withdraw these Tracts, please advise any prospective bidder of the protest by furnishing a copy of this letter. Please inform the prospective bidder that Miami Corporation fully intends to take all action necessary to protect its interests in the premises.

Very truly yours,

MIAMI CORPORATION



Gordon L. Wogan  
Vice President

GLW:abb

A\_3199



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

A meeting of the Lease Review Committee of the State Mineral and Energy Board convened on Wednesday, April 13, 2011 at 9:44 a.m. with the following members of the board in attendance: Mr. Robert D. Harper, sitting in for DNR Secretary Scott A. Angelle, Mr. Thomas L. Arnold, Jr., Mr. Emile B. Cordaro, Mr. John C. "Juba" Diez, Mr. Robert "Michael" Morton, Mr. Darryl D. Smith, Ms. Helen G. Smith, Mr. W. Paul Segura, Jr., Mr. Thomas W. Sanders and Mr. Chip Kline (sitting in for Garrett Graves, Governor Jindal's designee to the State Mineral and Energy Board).

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

**I. Geological and Engineering Staff Review**

According to SONRIS there are 1808 active State Leases covering nearly 841,000 acres. The Geological and Engineering Division has reviewed approximately 180 leases covering 185,000 acres.

**II. Committee Review**

1. A staff report on **State Lease 195-C**, Quarantine Bay Field, Plaquemines and St. Bernard Parishes. Cox Operating L.L.C. is the operator.

The recommendation was that Cox Operating be granted six months after the completion of the State Lease 195QQ No 365 well to submit a plan of development for the remaining non-productive acreage.

2. A staff report on **State Leases SLs 2220, 2221, 4039 and 4147**, Eloi Bay and or Half Moon Lake Fields, Plaquemines and St. Bernard Parishes. Cox Operating L.L.C. is the operator.

The recommendation was that Cox Operating be granted until June 8, 2011 to prepare and submit a map outlining the acreage to be released from each state lease (800 acres from SL 2220, 500 from SL 2221 and 100 from SL 4147) to the Office of Mineral Resources for review. It is also recommended that Cox be granted until March 28, 2012 to submit a plan of development for the undeveloped portions of the above referred leases or in lieu thereof, an additional release of nonproducing state lease acreage acceptable to the staff.

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

The recommendation was to accept the report and to grant ExxonMobil until September 9, 2011 to report on their efforts to secure farmout agreements with interested parties on the nonproductive acreage or, in lieu thereof, submit another 400 acre release.

4. A staff report on **State Lease 2620** Lake Pelto Field, Terrebonne Parish. Phoenix Exploration Louisiana B, LLC is the lessee.

The recommendation was that Phoenix be granted until October 12, 2011 to submit a report that would include 1) findings of their ongoing field study to identify new reserves 2) the results of workover and recompletion activity.

5. A staff report on **State Lease 340-H**, Cote Blanche Island Field Selection, Iberia Parish. Swift Energy Operating, LLC is the lessee.

The recommendation was that Swift be given until June 8, 2011 to commit to a release of 1000 acres from the non-producing state lease acreage as shown on their map submitted to the staff on March 30, 2011. If Swift fails to commit to the release of non-producing acreage by June 8, 2011, the staff will request that the Board place Swift in default, and that Swift be granted until December 14, 2011 to spud a well on or affecting the non-producing state lease acreage, or submit a release of the non-producing state lease acreage. Failure to spud or release by the December date will result in Swift being placed on demand for a release by the Board.

6. A staff report on **State Leases 3306 and 4011**, Redfish Point Field, Vermilion Parish. Hilcorp Energy I, LP is the lessee.

The recommendation was that Hilcorp be granted until October 12, 2011 to report on their continued efforts to secure partners to drill the Y-7 sand and any other development activities.

7. A staff report on **State Lease 188-B**, Lake Pelto Field, Terrebonne Parish. Hilcorp Energy is the lessee.

The recommendation was to accept Hilcorp's report and remove the lease from Committee review to annual staff review.

Mr. Charles Bradbury, Petroleum Engineer, presented the following matters recognizing new force majeure conditions:

a. A request by Manti Equity Partners, LP for the recognition of a Force Majeure condition affecting State Leases 19640 and 19641 beginning April 9, 2011 until May 20, 2011 due to unforeseen obstacles causing an extension to the permitting process, with resulting possible inability to have unit operations over lease lines by anniversary date.

b. A request by Stone Energy Offshore, L.L.C. for the recognition of a Force Majeure condition affecting SLs 10830, 15074, 17309, 17595 and A0285 beginning January 3, 2011 and extending to July 13, 2011 due to a Tennessee Gas pipeline leak.

### III. Report on Force Majeure

Updated 3/25/2011

Company Name	Lease Numbers
Leases Off Production Due to Non-storm Related Force Majeure Events	
IG Petroleum	A0232
Manti	19640, 19641
Stone Energy	10830, 15074, 17309, 17595, A0285




Lease Review Committee Report  
April 13, 2011  
Page 3

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

On motion by Mr. Segura, seconded by Ms. Smith, the Committee moved to adjourn its April 13, 2011 meeting at 9:51 a.m.

Respectfully submitted,

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

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

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD LEASE REVIEW COMMITTEE

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

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

**WHEREAS**, a request was made by Manti Equity, L.P. to recognize that a force majeure condition exists for State Leases 19640 and 19641 in Vermilion Parish, Louisiana due to their inability to secure the necessary permitting in sufficient time to commence drilling operations on a unit affecting the leases prior to the leases' critical date of April 9, 2011.

**WHEREAS**, State Leases 19640 and 19641 include a "Force Majeure" provision which allows the Operator to maintain these leases without complying with the actual drilling or reworking operations or by actual production requirements for as long as the force majeure is in effect;


**WHEREAS**, Barbara Critchlow submitted a notarized affidavit on behalf of Manti Equity, L.P., which stated that the activities and/or fortuitous events which caused the force majeure was beyond the control, not the cause, and/or due to said company and/or business entity's negligence or intentional commission or omission;

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

**NOW THEREFORE BE IT RESOLVED** that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby recognize and acknowledge the force majeure event from January 11, 2011 through February 21, 2011, due the inability to secure the drilling permit to perform the necessary drilling operations to maintain State Leases 19640 and 19641, Vermilion Parish, Louisiana. The Board extends the lease critical date of April 9, 2011 by 41 days until May 20, 2011, or until Manti obtains the necessary permits and successfully drills a well which crosses the K-O RB SUA boundary whichever condition is met at the earliest date. At which time Manti will return to complying with the normal language in the lease concerning continuing operations and production. Furthermore, the Board requires that Manti in a due diligent manner, mitigate or negate the effect of said activities which caused the force majeure.

### CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge Louisiana, on the 13<sup>th</sup> day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
\_\_\_\_\_  
State Mineral & Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### LEASE REVIEW COMMITTEE

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

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

**WHEREAS**, a request was made by Stone Energy to recognize that a force majeure condition exists due to Tennessee Gas Pipeline shut-in in the gas sales line January 3, 2011 due to a leak affecting State Leases 10830, 15074, 17309, 17595 and Operating Agreement A0285, Terrebonne Parish, Louisiana;

**WHEREAS**, State Leases 10830, 15074, 17309, and 17595 do not contain a "Force Majeure" provision which allows the Operator to maintain the lease in the event the current condition exists or by actual production requirements for as long as the force majeure is in effect;

**WHEREAS**, the Operator committed to amending State Leases 10830, 15074, 17309, and 17595 at a future Mineral and Energy Board meeting to include a "Force Majeure" provision required in the 2005 Force Majeure Policy;

**WHEREAS**, Alton R. Perry, III submitted a notarized affidavit on behalf of Stone Energy, which stated that the activities and/or fortuitous events which caused the force majeure was beyond the control, not the cause, and/or due to said company and/or business entity's negligence or intentional commission or omission;

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

**NOW THEREFORE BE IT RESOLVED** that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby recognize and acknowledge the force majeure event as of January 3, 2011, due to the lack of available gas sales line necessary to restore production to State Leases 10830, 15074, 17309, 17595 and Operating Agreement A0285, Terrebonne Parish, Louisiana. The Board suspends the 90 day continuous operations and production clause until July 13, 2011, or until Stone re-establishes a gas market whichever condition is met at the earliest date. The Board will reserve its right to review and reconsider whether additional action is necessary concerning the situation at the July 13, 2011 meeting. Once the condition is resolved, Stone will have 90 days to restore production to State Leases 10830, 15074, 17309, 17595 and Operating Agreement A0285. Furthermore, the Board requires that Stone in a due diligent manner, mitigate or negate the effect of said activities which caused the force majeure.

### CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge Louisiana, on the 13<sup>th</sup> day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
\_\_\_\_\_  
State Mineral & Energy Board

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: April 8, 2011 6:42 AM

District Code 1 New Orleans- East  
Get Review Date April 13, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00195C		QUARANTINE BAY	QB 3 RB SU	7200	15357	APR. OB MTG 3/23/11 COX NEW WELL (242846 SL 195 QQ NO. 365 SPUD 3/20/11) ON NP AC OR REL NP AC BY 4/1/11 PER L&T RESOLUTION 10/10.
00195C		QUARANTINE BAY, SOUTH	QB 3 RB SU	7200	15357	APR. OB MTG 3/23/11 COX NEW WELL (242846 SL 195 QQ NO. 365 SPUD 3/20/11) ON NP AC OR REL NP AC BY 4/1/11 PER L&T RESOLUTION 10/10.
00214	2	BRETON SOUND BLOCK 18 , GARDEN ISLAND BAY , POINTE A LA HACHE	238975-SL 214 GARDEN ISLAND BAY-914 11/25/2008	200	4449	APR. RCD DUNE RPT 1/10/2011
00214	1	BRETON SOUND BLOCK 18 , GARDEN ISLAND BAY , POINTE A LA HACHE	238975-SL 214 GARDEN ISLAND BAY-914 11/25/2008	700	3044	APR. RCD DUNE RPT 1/10/2011
00214	0	BRETON SOUND BLOCK 18 , GARDEN ISLAND BAY , POINTE A LA HACHE	238975-SL 214 GARDEN ISLAND BAY-914 11/25/2008	7769	7769	APR. RCD DUNE RPT 1/10/2011
00508		POTASH	216866-SL 508-025 08/26/1994	150	450	APR. AR
01230		BRETON SOUND BLOCK 20 , BRETON SOUND BLOCK 36 , BRETON SOUND BLOCK 37	228447-SL 1230-002 10/11/2003	2000	3800	APR. AR
01393	1	BRETON SOUND BLOCK 18 , GARDEN ISLAND BAY	SL 214 GARDEN ISLAND BAY 11/01/1997	50	150	APR. RCD DUNE RPT 1/10/2011
01393	2	BRETON SOUND BLOCK 18 , GARDEN ISLAND BAY	SL 214 GARDEN ISLAND BAY 11/01/1997	200	250	APR. RCD DUNE RPT 1/10/2011
01393	0	BRETON SOUND BLOCK 18 , GARDEN ISLAND BAY	SL 214 GARDEN ISLAND BAY 11/01/1997	458	458	APR. RCD DUNE RPT 1/10/2011
01997		BRETON SOUND BLOCK 20	622.2 10/17/1990	626.886	626.886	APR. AR 4/5/11 OMR TO TPIC: UPDATE RPT DUE 3/2012
01998		BRETON SOUND BLOCK 20	221452-SL 1998-063 02/07/1998	2000	3214.83	APR. AR 4/5/11 OMR TO TPIC: UPDATE RPT DUE 3/2012
01999		BRETON SOUND BLOCK 20	10200 RA SUA;SL 1999 10/07/2003 255-R 03-753	3000	4173.84	APR. AR 4/5/11 OMR TO TPIC: UPDATE RPT DUE 3/2012
02000		BRETON SOUND BLOCK 20	10200 RA SUA;SL 1999 10/07/2003 255-R 03-753	3066	3539.07	APR. AR 4/5/11 OMR TO TPIC: UPDATE RPT DUE 3/2012
02220		ELOI BAY , HALF MOON LAKE , RABBIT ISLAND	4650 RA SUA;LED SL 17002 07/15/2003 659-N 03-530	2000	4163	APR. OB MTG 3/23/11 COX NEW WELL ON NP AC OR REL NP AC BY 4/1/11 PER L&T RESOLUTION 10/10.
02221		ELOI BAY	215867-SL 2221-064-D 06/23/1993	300	2621	APR. OB MTG 3/23/11 COX NEW WELL ON NP AC OR REL NP AC

## Louisiana Department of Natural Resources (DNR)

## SONRIS

## Staff Reviews

Report run on: April 8, 2011 6:42 AM

District Code 1 New Orleans- East

Get Review Date April 13, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
02326		BRETON SOUND BLOCK 20	832.43 06/29/2004	2800	4162.12	BY 4/1/11 PER L&T RESOLUTION 10/10. APR. AR 4/5/11 OMR TO TPIC: UPDATE RPT DUE 3/2012
02557		MAIN PASS BLOCK 69	237429-SL 2557-037 06/17/2008	2352	2765	APR. AR
04039		HALF MOON LAKE	228302-SL 4039-027 07/30/2003	300	670	APR. OB 3/23/11 MTG COX NEW WELL ON NP AC OR REL NP AC BY 4/1/11 PER L&T RESOLUTION 10/10.
04147		ELOI BAY , HALF MOON LAKE	6020 SUA;SL 2220 11/01/1992	80	1383.61	APR. OB 3/23/11 MTG COX NEW WELL ON NP AC OR REL NP AC BY 4/1/11 PER L&T RESOLUTION 10/10.
04409		BRETON SOUND BLOCK 20 , BRETON SOUND BLOCK 36 , BRETON SOUND BLOCK 37	1267.76 07/22/2005	449	449	APR. AR 4/5/11 OMR TO TPIC: UPDATE RPT DUE 3/2012
04574		BRETON SOUND BLOCK 20	SL 15958 11/08/2000	1300	2057.49	APR. AR ENERGY QUEST STATUS RPT BY 3-9-11
08690		COTE BLANCHE ISLAND , MAIN PASS BLOCK 74	1340.46 06/02/1994	1159.52	1159.52	APR. 3/1/11 REL RQD 2/16/11 LEASE OFF PROD PER CHARLES EMAIL- CK 6 MOS
11189		MAIN PASS BLOCK 47	VUA;SL 11189	402.654	402.654	APR. AR
12457		MAIN PASS BLOCK 74	972.3 05/10/1989	713.85	713.85	APR. 3/1/11 REL RQD 2/16/11 OFF PROD PER CHARLES EMAIL-CK 6 MOS
13287		MAIN PASS BLOCK 74	O RA SUA; 06/27/2000 1213-B 99-381	196.2	196.2	APR. 3/1/11 PR RQD RS JMB: APPROX 103.85 AC OUTSIDE OF O RA SUA UNIT APP EXP
14561		BRETON SOUND BLOCK 33 , BRETON SOUND BLOCK 35	226623-SL 14561-001 01/18/2002	1391.55	1391.55	APR. AR
14860		SOUTH PASS BLOCK 20 , SOUTH PASS BLOCK 31	934.11 08/28/2007	150.33	150.33	APR. 2/25/11 REL RQD 2/16/11 RS JMB: LAST PROD 9/10, LAST ROYALTY 10/10
14861		SOUTH PASS BLOCK 20 , SOUTH PASS BLOCK 31	172.67 08/28/2007	1033.04	1033.04	APR. 2/25/11 REL RQD 2/16/11 RS JMB: LAST PROD 9/10, LAST ROYALTY 10/10
15764		SOUTH PASS BLOCK 31	899.7 07/24/2000	129.45	129.45	APR. 2/25/11 REL RQD
16666		MAIN PASS BLOCK 47	205.79 05/01/2003	12.29	12.29	APR. AR
16823		BRETON SOUND BLOCK 18		211.89	211.89	APR. AR
17002		HALF MOON LAKE	145.22 06/14/2004	14.78	14.78	APR. AR 10/27/10 CORRECTION TRNSMTL DUE TO SETTLEMENT 228337 613804 4650 RA SUA
17861		BRETON SOUND BLOCK	236.5	512.42	512.42	APR. AR 11/17/10 JMB: CK IN 3

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
		53	10/14/2008			MOS
18011		BRETON SOUND BLOCK 48		61.01	61.01	OCT. 9/9/10 PAID 2ND ILR TO 3/9/11 AR
18041		CHANDELEUR SOUND BLOCK 73	395.119 01/10/2006	460.881	460.881	APR. AR 10/27/10 JMB: CORRECTION TRNSMTL DUE TO SETTLEMENT: 230494 614246 BIG HUM RA SUA
19563		STUARDS BLUFF, EAST	72.955 06/04/2010	59.335	59.335	APR. PT 1/9/11 6/29/10 RCD OFL PR OF 72.655, RTNG 59.335 EFF 6/4/10 237067=615442
19976				0	66	APR. PT 1/14/12 12/10/11
20101		MAIN PASS BLOCK 26		40	40	PROD 01/11;;
20103		MAIN PASS BLOCK 35		40	40	APR. CK PRD, IF PRDG, SUGGEST AR OCT. PT 7/8/10 *1YR PT; 9/21/10 CCB:CO RPTD LEASES ON PRD 7/10 *AC: ATTEMPT TO REACTIVATE SN 227578, OR PAY \$4,000 BY 7/8/10.

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<i>District Code</i>	<i>1W</i>	<i>New Orleans- West</i>				
<i>Get Review Date</i>	<i>April 13, 2011</i>					
<i>Lease Num</i>	<i>DA</i>	<i>Field</i>	<i>Latest lease Activity</i>	<i>Productive Acreage</i>	<i>Present Acreage</i>	<i>Flagged for Review In</i>
00192A		BASTIAN BAY	J S ABERCROMBIE	400.459	3229	APR. AR
00348		BAYOU DES ALLEMANDS	U X1 RA VUA;SL 348 08/13/2003	45.42	319.2	APR. AR
00451		KINGSTON , SOUTH PASS BLOCK 24 , WEST BAY , WEST DELTA BLOCK 52	VU103	2500	3850	APR. AR 4/1/11 JPT: NEW TRNSMTL: 240925 616516 (REVIEW WITH STATE LEASE 192-C)
01365		BAY MARCHAND BLOCK 2 OFFSHORE , BAY MARCHAND BLOCK 2 ONSHORE	SL 1486	1140	3000	APR. RCD CHEVRON 2/7/11 UPDATE
01366		BAY MARCHAND BLOCK 2 OFFSHORE	241898-BM2 8200 MIO RH SU;SL 1366-082 10/14/2010	460	2020.26	APR. RCD CHEVRON 2/7/11 UPDATE
01367		BAY MARCHAND BLOCK 2 OFFSHORE , GRAND ISLE BLOCK 25	242441-SL 1367-068 12/15/2010	2000	3129.57	APR. RCD CHEVRON 2/7/11 UPDATE 1 APOD
01482		BAY MARCHAND BLOCK 2 OFFSHORE , BAY MARCHAND BLOCK 2 ONSHORE	8100 RHH SUA;SL 1482  184-BBB-1 01-557	64	495.13	APR. RCD CHEVRON 2/7/11 UPDATE
01486		BAY MARCHAND BLOCK 2 OFFSHORE	SL 1486	253	1367.85	APR. RCD CHEVRON 2/7/11 UPDATE
01908		LEEVILLE	L U96 RNW SU;LL&E 06/01/1988	20.84	20.84	APR. 4/4/11 RS STEVE: APP EXP. MAR. AR
02028		LAKE WASHINGTON	21 RC SUA;SL 2028 09/18/2007 149-E-5 07-1049	260	780.31	APR. 3/2/11 SRVY PLAT RQD HLCP 504952 139711 CC-11 RB SUA
02383		LITTLE LAKE	L TP 6 RA SUA;SL 19864 12/16/2008 604-T	92	980	APR. RCD SHORELINE 1/6/11 RPT
02724		BAY MARCHAND BLOCK 2 OFFSHORE , BAY MARCHAND BLOCK 2 ONSHORE	8100 RHH SUA;SL 1482  184-BBB-1 01-557	139	715	APR. RCD CHEVRON 2/7/11 UPDATE
03010		BASTIAN BAY	537 06/09/2009	53	53	APR. AR
03011		BASTIAN BAY	239 06/09/2009	500	500	APR. AR
03212		BASTIAN BAY	N-S3 RA SUA;LL&E FEE 11/06/2007 339-LLLL 07-1274	17	139	APR. AR
03262		BASTIAN BAY	N RL SUA;LL&E C 08/26/2008 339-N-24	97.39	97.39	APR. AR
10854		LAKE WASHINGTON	76.17 08/06/2004	96.268	96.268	APR. AR

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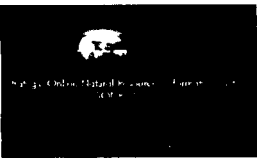
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District Code 1W New Orleans- West  
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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
14031		GRAND ISLE BLOCK 16	90.7 02/06/2009	227.19	227.19	APR. AR
14720		DORCYVILLE , LAUREL RIDGE	38.14 10/12/2006	7.432	7.432	APR. AR 3/14/11 PROD 01/11
14721		DORCYVILLE , LAUREL RIDGE	126 10/12/2006	23	23	APR. AR
16628		TIGER PASS	52 07/03/2002	480	480	APR. AR
17381		BURRWOOD , WILDCAT-SO LA LAFAYETTE DIST	VUG;SL 17381 03/10/2004	298.75	298.75	APR. AR
17990		LAKE WASHINGTON	96 01/29/2010	205	205	APR. AR 3/14/11 SN 232795 LUW 050154 PROD THRU 12/10
18637		BAY MARCHAND BLOCK 2 OFFSHORE	4600 RK SUA;SL 1367 10/10/2008 184-M-2	160	1603.93	APR. RCD 2/7/11 CHVN LTR 9-9-10 LTR NOT NECESSARY PER GREG D- ASKING FOR A UNIT CK IN 6 MOS FOR UNIT PT 6/8/10
18804		PROFIT ISLAND	495 12/08/2008	141.88	141.88	APR. AR
18861		TIMBALIER BAY ONSHORE	SL 18878 12/13/2006	153.25	153.25	APR. SUGGEST AR, IF PRDG PT 1/11/11
18907		LAKE WASHINGTON	L 9600 RA SUA;SL 17990 07/01/2009 149-PPPP	52.037	1485	APR. SUGGEST AR UPON RCT OF PR 2/25/11 PR RQD FINAL DD 2/15/11 PT 2/15/09 SWIFT LK WSHGTN EGA 20040201
19385				0	215	APR. 2ND ILR TO 7/14/11 (238117 SIWOP) AUG. PT 5/9/10
19571				0	1651.79	APR. 2/14/11 REL RQD PT 1/9/11
19572				0	1404.95	APR. 2/14/11 REL RQD PT 1/9/11
19645		BASTIAN BAY	N RL SUA;LL&E C 08/26/2008 339-N-24	4.539	43	APR. 3/17/11 DDPMT APPROVED TO 4/9/12 3/15/11 DDPMT TO STEVE DD & PT 4/09/11
19972				0	1023	APR. 2/14/11 REL RQD PT 1/14/12 12/10/11
20007				0	141	APR. PT 1/14/12
20009				0	19	APR. PT 1/14/12 8/24/09 45 BID AC, ADJUSTED TO 19 AC - FREEZE STATUTE
20010				0	2	APR. PT 1/14/12 8/24/09 25 BID AC, ADJUSTED TO 2 AC - FREEZE STATUTE
20236				0	132.23	APR. PT 1/13/13
20238		SOUTH PASS BLOCK 24	242496-SL 20238-001 01/22/2011	311	311	APR. PT 1/13/13
20239				0	71	APR. 2/14/11 REL RQD PT





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<b>Get Review Date</b>	<b>April 13, 2011</b>					
<b>Lease Num</b>	<b>DA</b>	<b>Field</b>	<b>Latest lease Activity</b>	<b>Productive Acreage</b>	<b>Present Acreage</b>	<b>Flagged for Review In</b>
						1/13/13

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00188B		LAKE PELTO	VU G	2663	4152	APR. OB RCD HLCP 3/9/11 RPT ON U14 #22 ST & 3D (2/10/11 JPT:HLCP PROPOSED NEW UNIT UNDER 16B RB SUA BY RECOMPLETING THE U6 NO. 36 WELL; SN 158323)
00329B		HORSESHOE		548	821	APR. AR 3/17/11 JPT: HBP FROM 3 PRDG UNITS
00329B		HORSESHOE BAYOU		548	821	APR. AR 3/17/11 JPT: HBP FROM 3 PRDG UNITS
00329B		HORSESHOE BAYOU, SOUTHWEST		548	821	APR. AR 3/17/11 JPT: HBP FROM 3 PRDG UNITS
00340C	2	RABBIT ISLAND	SL 340 RABBIT ISLAND DA	0	4066	APR. 3/22/11 MTG SCHEDULED - CENTURY XXI MTG BY 2/28/11 POD/ PR OF ALL NP AC
00340C	2	RABBIT ISLAND ONSHORE	SL 340 RABBIT ISLAND DA	0	4066	APR. 3/22/11 MTG SCHEDULED - CENTURY XXI MTG BY 2/28/11 POD/ PR OF ALL NP AC
00340C	4	RABBIT ISLAND	SL 340 RABBIT ISLAND DA	0	5000	APR. 3/22/11 MTG SCHEDULED - CENTURY XXI MTG BY 2/28/11 POD/ PR OF ALL NP AC
00340C	4	RABBIT ISLAND ONSHORE	SL 340 RABBIT ISLAND DA	0	5000	APR. 3/22/11 MTG SCHEDULED - CENTURY XXI MTG BY 2/28/11 POD/ PR OF ALL NP AC
00340C	5	RABBIT ISLAND	SL 340 RABBIT ISLAND DA	160	5000	APR. 3/22/11 MTG SCHEDULED - CENTURY XXI MTG BY 2/28/11 POD/ PR OF ALL NP AC
00340C	5	RABBIT ISLAND ONSHORE	SL 340 RABBIT ISLAND DA	160	5000	APR. 3/22/11 MTG SCHEDULED - CENTURY XXI MTG BY 2/28/11 POD/ PR OF ALL NP AC
00340C	3	RABBIT ISLAND	SL 340 RABBIT ISLAND DA	260	3746	APR. 3/22/11 MTG SCHEDULED - CENTURY XXI MTG BY 2/28/11 POD/ PR OF ALL NP AC
00340C	3	RABBIT ISLAND ONSHORE	SL 340 RABBIT ISLAND DA	260	3746	APR. 3/22/11 MTG SCHEDULED - CENTURY XXI MTG BY 2/28/11 POD/ PR OF ALL NP AC
00340G	0	COTE BLANCHE BAY, WEST	242295-SL 340 WEST COTE BLANCHE BAY-1020 12/22/2010	3195	4682	APR. AR 3/17/11 JPT: HBP
00340G	4	COTE BLANCHE BAY, WEST	242295-SL 340 WEST COTE BLANCHE BAY-1020 12/22/2010	0	3344.17	APR. 3/22/11 MTG SCHEDULED - CASTEX: POD/REL MTG BY 3/31/11
00340G	2	COTE BLANCHE BAY, WEST	242295-SL 340 WEST COTE BLANCHE BAY-1020 12/22/2010	0	4386.073	APR. 3/22/11 MTG SCHEDULED - CASTEX: POD/REL MTG BY 3/31/11

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00340G	3	COTE BLANCHE BAY, WEST	242295-SL 340 WEST COTE BLANCHE BAY-1020 12/22/2010	0	4682	APR. 3/22/11 MTG SCHEDULED - CASTEX: POD/REL MTG BY 3/31/11
00340G	5	COTE BLANCHE BAY, WEST	242295-SL 340 WEST COTE BLANCHE BAY-1020 12/22/2010	0	2829	APR. 3/22/11 MTG SCHEDULED - CASTEX: POD/REL MTG BY 3/31/11 (2984.71 AC TO 2829 PER JPT)
00340H	0	COTE BLANCHE BAY, EAST		1400	6240	APR. OB DEFERRED 3/9/11 (5/13/10 FU >10/09 ACCEPTED ~265 AC PR=3/3/10 SWIFT WORKING ON PR)
00340H	0	COTE BLANCHE BAY, WEST		1400	6240	APR. OB DEFERRED 3/9/11 (5/13/10 FU >10/09 ACCEPTED ~265 AC PR=3/3/10 SWIFT WORKING ON PR)
00340H	0	COTE BLANCHE ISLAND		1400	6240	APR. OB DEFERRED 3/9/11 (5/13/10 FU >10/09 ACCEPTED ~265 AC PR=3/3/10 SWIFT WORKING ON PR)
00711		DUCK LAKE	DL D-1 SU	405	658	APR. 3/10/11 SRVY PLAT RQD: LES LANDRY, HLCP, ORDER 174-N, WSN 43040, UNKNOWN LUW
01665		EUGENE ISLAND BLOCK 18		426.341	426.341	APR. AR 3/4/11 SSB: HBP 104014 1/11 SL WELL, 135629, 605625 TO 1/11
01667		EUGENE ISLAND BLOCK 18	292.703 06/02/2000	800	1170.413	APR. AR 3/4/11 SSB: HBP 118604, 135629, 617726 TO 1/11
01706		LAKE SAND	LSA ROB 5 RA SU 216-C-1	1390	2423	APR. AR 3/4/11 SSB: HBP 306001 SL WELL 12/10, 602408, 615207 PRDG, JPT:OKAY
02620		LAKE PELTO	309.71 11/15/2010	1350	2362.715	APR. OB PHOENIX 3/9/11 FIELD STUDY & NEGOTIATIONS (1/18/11 OFL 309.710 AC PR RCD EFF 11/15/10 300 AC PR ACCEPTED 9/8/10)
03498		LAKE SAND	LSA ROB 5 RA SU 216-C-1	1233	2347	APR. AR 3/17/11 JPT: HBP
04236		RABBIT ISLAND	SL 340 RABBIT ISLAND 05/01/1983	916.73	916.73	APR. AR 3/4/11 SSB: 604063 TO 12/10 W/ 916.73 AC
04237		SOUTH TIMBALIER BLOCK 8	239104-SL 4237-004 12/06/2008	65	459.85	APR. 3/17/11 JPT EMAIL TO BLACKHAWK RQD POD OR PR ~ 15,200 RA VUA PRDG;; 9/14/10 OMR RQD BLACK ELK CONSIDER 395 AC PR. 2/19/10 RCD BLACK ELK LTR RQG UNTIL 4/14/11 FOR POD. 2AR
05492		RABBIT ISLAND	SL 340 RABBIT ISLAND 05/01/1983	23.43	23.43	APR. AR 3/4/11 SSB: 604063 TO 12/10 W/ 23.43 AC
13148		LELEUX	6.758 05/10/1990	10.062	10.062	APR. AR 3/4/11 SSB: 610500 TO 12/10 W/ 10.062 AC

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
13346		KENT BAYOU	62.637 01/10/1994	43.363	43.363	APR. AR 3/4/11 SSB: 610918 TO 12/10 W/ 43.363 AC
16704		PERRY POINT , RAYNE, SOUTH	MT RC SUA;PLATSMIER- HULIN 10/17/2006 448-K-4 06-1110	.118	.118	APR. AR 3/4/11 609512 PRDG TO 12/10
17728		VERMILION BLOCK 16	VUA;SL 17159 06/08/2005	558.08	558.08	APR. AR 3/4/11 SSB: 305405 TO 12/10 W/ 558.08 AC
17988		PATTERSON	3.13 03/09/2009	27.68	27.68	APR. AR 3/4/11 SSB: 049790 TO 12/10 W/ 27.68 AC
17989		PATTERSON	7.766 03/09/2009	40.284	40.284	APR. AR 3/4/11 SSB: 049790 TO 12/10 W/ 40.284 AC
18103		MYETTE POINT	VUA;SL 18103 04/09/2008	801.6	801.6	APR. AR 3/4/11 SSB: 306056 TO 12/10 W/ 801.6 AC
18179		FRESH WATER BAYOU, SOUTH	131.396 01/29/2010	120.454	120.454	APR. AR 3/4/11 SSB: 615739 TO 12/10 W/ 120.454 AC
18180		FRESH WATER BAYOU, SOUTH	15.07 01/29/2010	23.86	23.86	APR. AR 3/4/11 SSB: 615739 TO 12/10 W/ 23.86 AC
18197		FRESH WATER BAYOU, SOUTH	34.51 01/29/2010	127.69	127.69	APR. AR 3/4/11 SSB: 615739 TO 12/10 W/ 127.69 AC
18198		FRESH WATER BAYOU, SOUTH	26.381 01/29/2010	280.619	280.619	APR. AR 3/4/11 SSB: 615739 TO 12/10 W/ 280.619 AC
18199		FRESH WATER BAYOU, SOUTH	3.089 01/29/2010	.911	.911	APR. AR 3/4/11 SSB: 615739 TO 12/10 W/ .911 AC
18634		MYETTE POINT	VUA;SL 18103 04/09/2008	390.92	390.92	APR. AR 3/4/11 SSB: 306056 TO 12/10 W/ 390.92 AC ATTAKAPAS WMA
18871		BAYOU JEAN LA CROIX	2.751 01/29/2007	3.249	3.249	APR. AR 3/4/11 SSB: 612753 PRDG 12/10 JPT: COMPROMISED AREA
19299		EUGENE ISLAND BLOCK 7	CIB OP G VUA;SL 19731 05/12/2010	16.564	232.77	APR. APR. 3/4/11 SSB: 616381 TO 12/10 W/ 16.564 AC SUGGEST AR UPON RCT OF PR - 2/25/11 PR RQD DD 2/14/11 PT 2/14/10
19585				0	32	APR. 2/25/11 REL RQD MAY. PT 2/13/11
19587				0	20	APR. 2/25/11 REL RQD MAY. PT 2/13/11
19968				0	51.57	APR. 3/4/11 SSB: RTNL PD TO 2012 PT 1/14/12 12/10/11 OFFSHORE
19969				0	68.61	APR. 3/4/11 SSB: RTNL PD TO 2012 PT 1/14/12 12/10/11 OFFSHORE
19970				0	94.29	APR. 3/4/11 SSB: RTNL PD TO 2012 PT 1/14/14 12/10/13
19971				0	66.13	APR. 3/4/11 SSB: RTNL PD TO 2012 PT 1/14/12 12/10/11



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Table with columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Rows include lease numbers 19978, 19979, 19982, 19983, 19998, 20005, 20035, 20180, 20227, 20228, 20229, 20230, 20231, 20232, 20233, 20255 with corresponding acreage and review dates.

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Get Review Date	April 13, 2011					
Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00309		MONROE	HARRELL SU 172; M.G.U. 03/01/1986	363.59	3138	APR. AR 3/18/11 SAM: HBP
00494		MONROE	MLGC-GTC 09/01/1980	270	300	APR. AR 3/18/11 SAM: HBP
04775		MOSQUITO BEND	236334-MOSBD N CAT LK RA SU;SL 4775-003 10/01/2007	139.2	139.2	APR. AR 3/18/11 SAM: HBP
06316		CEDAR GROVE	25.628 12/15/2003	65.394	65.394	APR. AR 3/18/11 SAM: HBP
06931		ELM GROVE	230222-LCV RA SUXX;SL 6931 18-002- ALT 09/30/2004	64.76	64.76	APR. AR 3/18/11 SAM: HBP
07029		CHEMARD LAKE	HOSS RA SUB;J J RAMBIN 06/01/1993	29.202	29.202	APR. AR 100%HBP 605341 TO 1/11& 3/10/11 SAM:NEW TRNSMTL W/PLAT HA RA SUA 240542 616289
13734		BAYOU D'ARBONNE LAKE , MIDDLEFORK , UNIONVILLE	L CV DAVIS RA SUA;HERBERT 08/01/1996	29.41	43	APR. AR 3/18/11 SAM: HBP
16530		ELM GROVE	234115-LCV RA SUZZ;SL 16530 20-001- ALT 10/10/2006	145	145	APR. AR 3/18/11 SAM: HBP
18096		ELM GROVE	564 03/06/2009	36	36	APR. AR 3/18/11 SAM: HBP
18863		RED RIVER-BULL BAYOU	83.84 07/27/2008	28.16	28.16	APR. 2/23/11 SRVY PLAT RQD 241649 CMPD 1/5/11 616553 18863 & 19999
19122		CASPIANA	CV RA SUW;BROYLES 2 04/24/2007 191-A-1	83.741	83.741	APR. 2/28/11 JPT: NEW TRNSMTL W-PLAT 239170 615496 CV RA SUW W/ 83.741 AC TO 19122. 71 AC CHANGED TO 83.741 PER SRY PLAT.
19398		THORN LAKE	CV RA SUJ;BLOUNT 11/01/2005 1145-A-1 05-1165	11.67	11.67	APR. AR 3/14/2011 SAM: NEW TRNSMTL 241250 616614 HA RA SUAA
19542		ELM GROVE	HA RA SU88;TALIAFERRO 28 H 08/11/2009 361-L-54	163.522	234	APR. 2/25/11 PR RQD 2/18/11 RS SAM: 163.522 AC HBP, ~70 EXPIRED SUGGEST AR UPON RCT OF PR PT 12/12/10
19559				0	116	APR. 2/14/11 REL RQD PT 1/9/11
19762				35	105	APR. 3/18/11 SAM: PRDG, APPROX 35 PRD AC 3/15/11 PLATS RQD PETROHAWK 616588 & 616621 2/23/11 SRVY PLAT RQD QUESTAR FOR 240987
19793				0	2.4	APR. 3/15/11 SRVY PLAT RQD PETROHAWK 616588 HA RA

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
						SUR SAL OMR MANAGED WLF PT 8/13/11
19833		BRACKY BRANCH	13 11/24/2009	13.122	39	APR. 3/25/11 SAM: NEW TRNSMTL W PLAT 240368 616504 PT 12/10/11 10/8/11
19838				15.342	70	APR. 2/28/11 SAM: NEW TRNSMTL FROM PLAT 241393 616586 W 6.846 AC MAR. DD & PT 12/10/11 10/8/11
19847		CONVERSE	HA RA SUE;MCDONALD 04/07/2009 501-G 09-376	90.49	117	APR. 3/18/11 SAM: PRDG 12/15/10 RQD PLATS FROM ELLORA FOR 613611, 613486, 613447 DD & PT 12/10/11 10/8/11
19848				38.01	92	APR. 3/25/11 SAM: NEW TRNSMTL W PLAT 240817 616217=CHANGED PRD 27.307 TO 38.005 PER PLAT DD & PT 12/10/11 10/8/11
19887				11.13	11.13	APR. 3/25/11 SAM: NEW TRNSMTL W PLAT 240555 616359 FROM SURVEY PLAT DATED 10/25/10, WITH DISPUTED 12.187 AC ON 19887.
19999				0	101	APR. 2/23/11 SRVY PLAT RQD 241649 616553 HA RB SU53 PT 1/14/12
20030				132	437	APR. DDPMT APPROVED TO DD 3/11/12 PT 3/11/12
20036		WOODARDVILLE	HA RA SUW;JAMES MARSTON 17 H 12/02/2008 990-D-4 08-1839	33.045	44	APR. 3/15/11 SRVY PLAT RQD FROM ENCANA; ORDER 990-D-4; HA RA SUY 240247; 615932; SL 20036. DD 4/8/11 PT 4/8/12
20151				4	4	APR. 3/18/11 SAM: APPROX 4 PRD AC 3/15/11 SRVY PLAT RQD PETROHAWK 616588 HA RA SUR PT 10/14/12
20158				9.422	9.422	APR. 3/4/11 SAM NEW TRNSMTL 240173 616275 HA RA SUB W/ 9.422 AC PT 10/14/12
20159				6	6	APR. 3/10/11 SAM: NEW TRNSMTL HA RA SUA 240542 616289 PT 10/14/12
20173				39.716	40	APR. 3/25/11 SAM: NEW TRNSMTL W PLAT 240555 616359 FROM SURVEY PLAT DATED 10/25/10 PT 10/14/12 TAX ADJUDICATED
20256				160	160	APR. 3/15/11 SRVY PLAT RQD SWEPI 616579 HA RA SUA PT 1/13/13 TAX ADJUDICATED LANDS
20270				5	5	APR. 3/25/11 SAM: NEW TRNSMTL W PLAT 240613 616187 FROM SURVEY PLAT



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: April 8, 2011 6:42 AM

District Code 3 Lake Charles- North

Get Review Date April 13, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
20446				1	1	DATED 2/15/11 PT 2/10/13 TAX ADJUDICATED LANDS APR. 3/18/11 SAM APPROX 1 PRD AC 3/15/11 SRVY PLAT RQD CHESAPEAKE 616611 HA RA SUNN PT 10/13/13
20474				110	110	APR. 2/23/11 SRVY PLAT RQD 241197 616552 HA RA SUR, PRD 12/10 ~SAM ESTIMATED PRD AC FEB. PT 11/10/13



Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: April 8, 2011 6:42 AM

District Code 3S Lake Charles- South

Get Review Date April 13, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
02038		DEEP LAKE	400 02/25/2011	510	2344.71	APR. OB 3/18/11 KAM: 3/11/11 RCD OFL PR OF 400, RTNG 2344.71 EFF 2/25/11 RCD 3/9/11 EXMOB DEFINITE POD OR ANOTHER 400 AC PR (400 PR ACCEPTED 9/8/10)
02340		DEEP LAKE	675 02/02/1994	1597.72	1648.77	APR. AR 3/18/11 KAM:LUW 611050 LAST PRD 10/1/10, SN 157853 RECOMP 1/5/11 15100 SAND. REVIEW IN 3 MOS
02438		LAKE ARTHUR, SOUTH	MIDD MIOGYR RA SUG;SL 5419 10/18/1989 745-H-5	2.32	2.32	APR. AR 3/18/11 KAM:1.158 AC HBP SN 203792, 205412, MIDD MIOGYR RA SUC, 610038. CONT AR
03113		MAURICE	BOL M3 RC SUA;R TRAHAN 04/03/2001 366-M-5 01-279	8	9	APR. 3/11/11 RS TO KAM:APP EXP
03306		REDFISH POINT	381.81 05/21/2009	600	1527.39	APR. OB3/23/11 KAM: HBP POD DUE 3/9/11, NOT RCD. 3/17/11 JPT: 2 PRDG UNITS. HLCP 3/9/11 UPDATE ON STATUS OF 6-7 SAND TEST & OTHER DEV ACTIVITIES (916 NP AC)
04011		REDFISH POINT	410.11 12/17/2010	400	1265.65	APR. OB 3/23/11 KAM: HBP. RCD 410.11 AC PR 12/29/10. POD DUE 3/9/11, NOT RCD. HLCP 3/9/11 UPDATE ON STATUS OF 6-7 SAND TEST & OTHER DEV ACTIVITIES
04418		WEST CAMERON BLOCK 17 , WEST CAMERON BLOCK 19 , ZZZZZZZZZZ		1749.17	2525.749	APR. AR 3/18/11 KAM: PROD FROM 14,800 RES & 12,700 D RES AS OF 5/27/10 POD. CONT AR
06435		KINGS BAYOU	VUA;DR S O CARTER HEIRS A 05/14/2008	20.7	20.7	APR. 4/4/11 KAM & SAM RS: AP EXP AUG. AR
13006		FRISCO	8.21 09/14/1990	2.79	2.79	APR. AR 3/18/11 KAM: HBP LUW 045802. CONT AR
13266		LAKE ARTHUR, SOUTHWEST	160.012 03/27/1995	.27	.27	APR. AR 3/18/11 KAM: HBP SN 211773, 611060, MRRG H RG SUE. CONT AR
18423		CREOLE OFFSHORE	VUB;SL 18521 03/11/2009	401.36	401.36	APR. AR 3/18/11 KAM: HBP 050242, VUB. CONT AR
18433		BUHLER, WEST	9.2 03/28/2006	7.8	7.8	APR. AR 3/18/11 KAM: HBP 049825. CONT AR
18561		GILLIS-ENGLISH BAYOU	14.8 08/29/2007	1.22	1.22	APR. 4/4/11 KAM & SAM RS: APP EXP JUN. AR
19592				0	10	APR. 2/25/11 REL RQD MAY. PT 2/13/11
19593				0	10	APR. 2/25/11 REL RQD MAY. PT 2/13/11
19640				0	232	APR. 3/16/11 FM MTG W/MANTI

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: April 8, 2011 6:42 AM

District Code 3S Lake Charles- South  
 Get Review Date April 13, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
						& CATAPULT 4/9 TO 5/20/11 JUL. PT 4/9/11
19641				0	10.4	APR. 3/16/11 FM MTG: 4/9/11 TO 5/20/11 JUL. PT 4/9/11
20235				0	1280	APR. 3/18/11 KAM: RNTL PD TO 1/13/12. CONT AR. PT 1/13/13
20257				0	.632	APR. 3/18/11 KAM: RNTL PD TO 1/13/12. CONT AR. PT 1/13/13 TAX ADJUDICATED LANDS
20261				22.58	85	APR. 3/16/11 KAM: NEW TRNSMTL 242209 050628 6700- CIB H RA SUA W.22.58 AC IN TRACT 2, TRACT 3 TO BE DETERMINED. 2/25/11 PR RQD PT 2/10/13
20518				14.78	14.78	APR. 3/31/11 KAM: REVISION TRNSMTL 612431: REPLACED SL 17441 WITH SL 20518 PT 1/12/14
<b>188</b>				<b>78,851.185</b>	<b>189,268.313</b>	



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

***NOMINATION AND TRACT COMMITTEE REPORT***

The Nomination and Tract Committee, convened at **9:51 a.m.** on Wednesday, ***April 13, 2011*** with the following members of the Board in attendance:

Mr. Thomas L. Arnold, Jr.	Mr. Emile B. Cordaro	Mr. John C. Diez
Mr. Robert M. Morton	Mr. Thomas W. Sanders	Mr. W. Paul Segura, Jr.
Mr. Darryl D. Smith	Ms. Helen G. Smith	Mr. Chip Kline (sitting in for Garret Graves, Gov. Jindal's designee)

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the June 8, 2011 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of ***Mr. Diez*** duly seconded by ***Mr. Sanders***, the Committee voted unanimously to recommend to the Board the granting of authority to the staff to advertise all such tracts as have been reviewed by the State Land Office and the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report presented by Mr. Fontenot.

Letters of Protest by Williams, Inc. and Williams Land Company, LLC dated March 3, 2011 pertaining to Tract Nos. 42041 and 42042, St. Mary Parish, Louisiana. No Action was required.

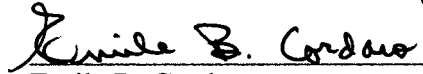
A letter of protest by Miami Corporation dated March 21, 2011 pertaining to Tract Nos. 42041, 42042, 42043 and 42044, St. Mary Parish, Louisiana. No Action was required.

On March 11, 2011 a Letter of protest was received from Hargrove, Smelley, Strickland & Langley dated March 3, 2011, pertaining to Tract No. 41909 (March Lease Sale tract), Avoyelles and St. Landry Parishes, Louisiana. One bid was received on this tract, however, the bid was rejected for insufficient consideration. Additionally, a copy of the letter was sent to State Lands for their review and comment.

Nomination and Tract Committee Report  
April 13, 2011  
Page -2-

The Committee, on motion of *Ms. Smith*, seconded by *Mr. Smith*, voted to adjourn at **9:57 a.m.**

Respectfully Submitted,

 by *E.B.*

Emile B. Cordaro

Chairman

Nomination and Tract Committee

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## NOMINATION AND TRACT COMMITTEE

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

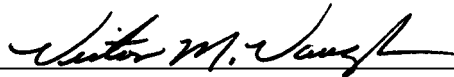
WHEREAS, Mr. Emile Fontenot presented to the State Mineral and Energy Board 54 tracts that had been nominated for the June 8, 2011 Mineral Lease Sale, and that same are to be advertised pending staff review; now therefore

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

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

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 13th day of April 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



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

**AUDIT COMMITTEE REPORT**

The regular meeting of the Audit Committee of the State Mineral and Energy Board was held on Wednesday, April 13, 2011, following the Nomination and Tract Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building, located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Emile B. Cordaro	John C. "Juba" Diez	Robert "Michael" Morton
Thomas W. Sanders	W. Paul Segura, Jr.	Darryl D. Smith
Helen G. Smith	Thomas L. Arnold, Jr.	Robert D. Harper
Chip Kline (sitting in for Garrett Graves, Governor Jindal's designee to the State Mineral & Energy Bd.)		

Mr. Thomas L. Arnold, Jr. convened the Committee at 9:50 a.m.


The first matter considered by the Committee was to place Goldking Operating Co. on demand for unpaid audit exceptions.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Sanders, the Committee voted unanimously to approve the demand request.

The second matter considered by the Committee was the election of the April 2011 gas royalty to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

No action required.

On motion of Mr. Sanders, seconded by Mr. Segura, the Board voted unanimously to adjourn the Audit Committee at 9:59 a.m.

  
Helen G. Smith, Vice-Chairman  
Audit Committee

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

**WHEREAS**, the State Mineral and Energy Board caused an audit to be performed of Goldking Operating Co., Inc. respecting the royalty payments under State Lease Nos. 214, 341, 344, and 1393 in the Bateman Lake, Garden Island Bay, and Grand Lake fields; and

**WHEREAS**, there are differences between Goldking Operating Co., Inc. and the Board regarding the amount of royalty due and interest and penalty charges due by Goldking Operating Co., Inc.; and

**WHEREAS**, the staff of the Office of Mineral Resources has been unable to resolve and settle the outstanding audit issues and interest and penalty billings with Goldking Operating Co., Inc.,

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

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 13<sup>th</sup> day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral Board and is now in full force and effect.

  
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LOUISIANA STATE MINERAL AND ENERGY BOARD



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

**LEGAL AND TITLE CONTROVERSY COMMITTEE REPORT**

The regular meeting of the Legal and Title Controversy Committee of the State Mineral and Energy Board was held on April 13, 2011, following the Audit Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Mr. Thomas W. Sanders  
Mr. Thomas L. Arnold, Jr.  
Mr. W. Paul Segura, Jr.  
Mr. Robert "Michael" Morton  
Mr. Chip Cline (sitting in for  
Garrett Graves, Gov. Jindal's designee)

Mr. Emile B. Cordaro  
Mr. Darryl David Smith  
Mr. John C. "Juba" Diez  
Mr. Robert D. Harper (sitting in for  
Secretary Scott A. Angelle)  
Ms. Helen Godfrey Smith

The Legal and Title Controversy Committee was called to order by Mr. Sanders at 10:01 a.m.

The first matter considered by the Committee was a request for final approval of an Operating Agreement by and between the State Mineral and Energy Board and Hilcorp Energy Company, General Partner for Hilcorp Energy I, L.P., to create an Operating Tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 25% Before Payout, increasing to 28% after Payout in and to the Operating Tract, whereas Operator desires and intends to re-establish production from the QBI LWR EG RA SU, Louisiana, containing 139.63 acres, more or less, covering unleased acreage, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-08.

Upon motion of Mr. Segura, seconded by Ms. Smith, the Committee voted unanimously to recommend that the Louisiana State Mineral and Energy Board grant final approval of the Operating Agreement by and between the State Mineral and Energy Board and Hilcorp Energy Company, General Partner for Hilcorp Energy I, L.P., on the docket as Item No. 11-08. No comments were made by the public.

The second matter considered by the Committee was a request by New Century Exploration, Inc. to escrow royalty payments pertaining to a 1.54 acre tract on State Lease No. 20261. Title to said tract is currently in dispute.



Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the State Mineral and Energy Board allow New Century Exploration, Inc. to escrow, or deposit at interest, all royalty attributable to production from the 1.54 acres in title dispute under the following conditions:

- a. No other claimant to title to the tract, or royalty derived therefrom, is receiving or will receive any minimum royalty during pendency of the title dispute, but all royalty will be put at interest;
- b. New Century will be allowed to put at interest the royalty attributable to the disputed tract for a period not to exceed 90 days from approval by the Board, following which, unless a compromise has been reached, New Century will begin concursus proceedings regarding said royalty; and
- c. New Century will follow all instructions from the Mineral Income Division of OMR as to reporting and handling of the deposited funds and production, as well as all accounting therefor.

No comments from the public were made.

The third matter considered by the Committee was a request by Manti Equity Partners for a six month (6) extension of the primary term covering State Lease No. 19712 effective June 11, 2011, LaFourche Parish, Louisiana. Manti has agreed to pay a full rental and to increase the State's royalty percentage from 22.5% to 23%.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant an extension of the primary term for an additional six (6) months to Manti Equity Partners to allow time for a well to be drilled under the following conditions:

- a. Payment of a full rental;
- b. The lease amendment will provide an increase in the State's royalty percentage from 22.5% to 23%; and
- c. Cooperation with the Office of Mineral Resources in timely providing requested documents related to production and royalty payments in the Biloxi Marsh Audits. Said cooperation by Manti must be evident and ongoing prior to final approval of the Lease Amendment extending the primary term or approval in principal will be rescinded.

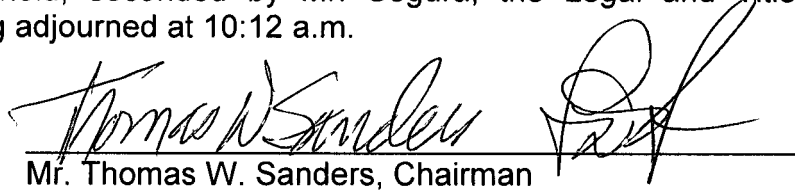
No comments from the public were made.

Legal and Title Controversy Committee Report

April 13, 2011

Page - 3 -

Upon motion of Mr. Arnold, seconded by Mr. Segura, the Legal and Title Controversy Committee meeting adjourned at 10:12 a.m.

  
\_\_\_\_\_  
Mr. Thomas W. Sanders, Chairman  
Legal and Title Controversy Committee  
Louisiana State Mineral and Energy Board

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

**WHEREAS**, a request was made for final approval of an Operating Agreement by and between the State Mineral and Energy Board and Hilcorp Energy Company, General Partner for Hilcorp Energy I, L.P., to create an Operating Tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 25% Before Payout, increasing to 28% after Payout in and to the Operating Tract, whereas Operator desires and intends to re-establish production from the QBI LWR EG RA SU, Louisiana, containing 139.63 acres, more or less, covering unleased acreage, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 11-08;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Operating Agreement by and between the State Mineral and Energy Board and Hilcorp Energy Company, General Partner for Hilcorp Energy I, L.P., on the docket as Item No. 11-08.

## 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 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.

  
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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

**WHEREAS**, a request was made by New Century Exploration, Inc. to escrow royalty payments pertaining to a 1.54 acre tract on State Lease No. 20261. Title to said tract is currently in dispute;

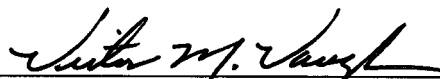
**WHEREAS**, after discussion and careful consideration by the State Mineral and Energy Board, a decision has been reached:

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board allow New Century Exploration, Inc. to escrow, or deposit at interest, all royalty attributable to production from the 1.54 acres in title dispute under the following conditions:

- a. No other claimant to title to the tract, or royalty derived therefrom, is receiving or will receive any minimum royalty during pendency of the title dispute, but all royalty will be put at interest;
- b. New Century will be allowed to put at interest the royalty attributable to the disputed tract for a period not to exceed 90 days from approval by the Board, following which, unless a compromise has been reached, New Century will begin concursus proceedings regarding said royalty; and
- c. New Century will follow all instructions from the Mineral Income Division of OMR as to reporting and handling of the deposited funds and production, as well as all accounting therefor.

## 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 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

**WHEREAS**, an appearance was made by Durelle Allen on behalf of Manti Equity Partners for a request for a six month (6) extension of the primary term covering State Lease No. 19712 effective June 11, 2011, LaFourche Parish, Louisiana. Manti has agreed to pay a full rental and to increase the State's royalty percentage from 22.5% to 23%;

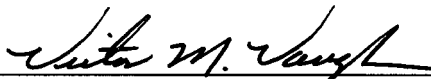
**WHEREAS**, after discussion and careful consideration by the State Mineral and Energy Board, a decision has been reached:

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant an extension of the primary term for an additional six (6) months to Manti Equity Partners to allow time for a well to be drilled under the following conditions:

- a. Payment of a full rental;
- b. The lease amendment will provide an increase in the State's royalty percentage from 22.5% to 23%; and
- c. Cooperation with the Office of Mineral Resources in timely providing requested documents related to production and royalty payments in the Biloxi Marsh Audits. Said cooperation by Manti must be evident and ongoing prior to final approval of the Lease Amendment extending the primary term or approval in principal will be rescinded.

## 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 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

**BOBBY JINDAL**  
GOVERNOR



**SCOTT A. ANGELLE**  
SECRETARY

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

DOCKET REVIEW COMMITTEE REPORT

The Docket Review Committee convened at 10:10 a.m. on Wednesday, April 13, 2011. Board Members present were Mr. John C. "Juba" Diez, Mr. Thomas W. Sanders, Mr. Thomas L. Arnold, Jr., Mr. Emile Cordaro, Mr. Darryl D. Smith, Mr. W. Paul Segura, Jr., Mr. Robert "Michael" Morton, Ms. Helen G. Smith and Mr. Chip Kline (sitting in for Garret Graves, Governor Jindal's designee to the State Mineral and Energy Board)

The Committee made the following recommendations:

Approve State Agency Leases A, B and C on page 1 and 2;

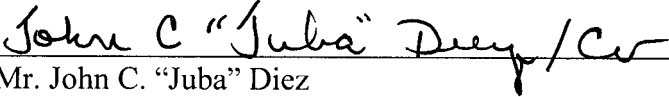
Approve all Assignments on pages 3 through 13; Nos. 2 and 11 on pages 5 and 8 would be deferred and Nos. 1, 11, 21 and 22 on pages 1, 8 and 11 would be approved subject to the approval of the Governor of Louisiana;

Approve the following items upon recommendation of the Legal and Title Controversy Committee: Docket Item No. 11-08 on page 15.

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

There being no further business to come before the committee, upon motion of Ms. Smith, and seconded by Mr. Sanders, the committee voted unanimously to adjourn the meeting at 10:14 a.m.

Respectfully submitted,

  
\_\_\_\_\_  
Mr. John C. "Juba" Diez  
Chairman  
Docket Review Committee

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

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the April 13, 2011 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Parish of Jefferson, dated January 12, 2011, awarded to Alpine Exploration Companies, Inc., covering lands located in Township 15 South, Range 23 East, Jefferson Parish, Louisiana, containing 1 acre, more or less, **LESS AND EXCEPT** all those portions of existing Jefferson Parish Leases that lie within the tract, with further contractual obligations being more enumerated in the instrument.

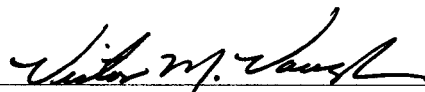
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item B from the April 13, 2011 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from Vermilion Parish School Board, dated February 15, 2011, awarded to Davis Petroleum Corp., covering lands located in the Northeast Quarter of Section 16, Township 12 South, Range 1 East, Vermilion Parish, Louisiana, containing 162.75 acres, more or less, with further contractual obligations being more enumerated in the instrument.

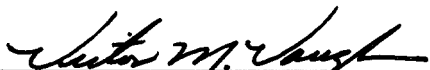
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item C from the April 13, 2011 Meeting be approved subject to Form and Legality, said instrument being an Oil, Gas and Mineral Lease from Nicholls State University, dated February 21, 2011, awarded to Boudreaux Properties, Inc., covering lands located in Sections 10 and 11, Township 15 South, Range 17 East and Sections 104, 130 and 146, Township 15 South, Range 16 East, containing approximately 325.68 acres, more or less, in 6 different Tracts as described on Exhibit "A" of said Lease, with further contractual obligations being more enumerated in the instrument.

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the April 13, 2011 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being a Merger whereby Maritech Timbalier Bay, LP is merging with and into Maritech Resources, Inc., under the name of Maritech Resources, Inc., affecting State Lease Nos. 192, 1772, 1773, 19571, 19572, 19617, 19926, 19952, 19953 and 20011, Lafourche and Plaquemines Parishes, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

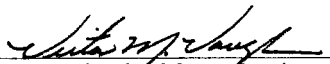
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

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

By:   
Scott A. Angelle  
Chairman, State Mineral Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the April 12, 2011, Meeting be deferred, said instrument being an Assignment from HOC-2000 Drilling Partnership B, L.P. to Hunt Oil Company of Louisiana, Inc., of all of Assignor's right, title and interest in and to State Lease No. 1908, Lafourche Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers lands situated within the area described in Exhibit "B", with further particulars being stipulated in the instrument.

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the April 13, 2011 Meeting be approved, said instrument being an Assignment from Wagner Oil Company to Cupula, LP, of all of Assignor's right, title and interest in and to State Lease Nos 458, 17265, 17714, 17716, 17717, 17718, 17720 and 18233, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

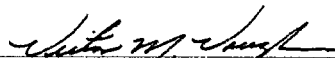
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 4 from the April 13, 2011 Meeting be approved, said instrument being an Assignment from Wagner Oil Company to Canejo, L.P. of all of Assignor's right, title and interest in and to State Lease No 17746, Ascension Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

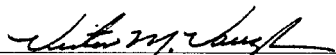
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the April 13, 2011 Meeting be approved, said instrument being an Assignment from Sundown Energy LP (an undivided 6.0394478% of 8/8ths interest) and Vermilion Bay Exploration, Inc. (an undivided 7.7105522% of 8/8ths interest) to Dynamic Offshore Resources, L.L.C. in and to State Lease Nos. 19260, 19298, 19392 and 19394, Iberia Parish, Louisiana AND An Assignment from Sundown Energy LP (an undivided 8.6605251% of 8/8ths interest) and Vermilion Bay Exploration, Inc. (an undivided 11.3394749% of 8/8ths interest) to Dynamic Offshore Resources, L.L.C. affecting State Lease Nos. 19799, 19800, 19866, 19870 and 19871, Iberia Parish, Louisiana, AND An Assignment from Sundown Energy LP to Dynamic Offshore Resources, L.L.C. of an undivided 20% of 8/8ths interest in and to State Lease Nos. 19865, 19910, 19913 and 19914, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

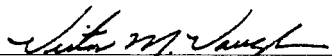
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the April 13, 2011 Meeting be approved, said instrument being an Assignment from New Century Exploration, Inc. to Smith Production Company, of all of Assignor's right, title and interest in and to State Lease No. 18560, Calcasieu Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** that portion of the lease lying within the geographic boundaries of the 3,800' Sand, Reservoir A, Sand Unit A, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

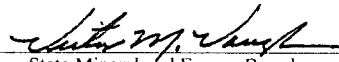
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 7 from the April 13, 2011 Meeting be approved, said instrument being an Assignment and Amendment of Assignment from Gardner Oil & Gas, L.L.C. to Berkshire Operating, LLC, of all of Assignor's right, title and interest in and to State Lease No 20351, Bossier Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

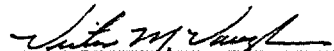
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 8 from the April 13, 2011 Meeting be approved, said instrument being an Assignment from PXP Louisiana L.L.C. to PXP Offshore L.L.C. of all of Assignor's right, title and interest in and to State Lease Nos 19500 and 19514, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

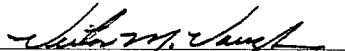
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 9 from the April 13, 2011 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from PXP Louisiana L.L.C. and Pogo Producing Company LLC to PXP Gulf Properties LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 356, 14216, 14217, 14519, 14520, 14521, 14522, 14560, 14561, 14912, 14914, 14915, 14916, 14953, 14954, 16298, 16310, 16795, 16859, 17376, 17378, 17432, 17689, 17691, 17739, 17767, 17965, 19079, 20020 and 20117, Jefferson, Plaquemines and St Mary Parishes, Louisiana, with further particulars being stipulated in the instrument

PXP Gulf Properties LLC is designated as the joint account Lessee (contact person) of State Lease Nos 14216, 14217, 14560, 14561, 16298, 16795, 17432 and 17739 pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

Hilcorp Energy I, LP is designated as the joint account Lessee (contact person) of State Lease No 356 pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

Century Exploration New Orleans, Inc. is designated as the joint account Lessee (contact person) of State Lease Nos 17689, 17691, 17767, 17965 and 19079 pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

Hunt Oil Company of Louisiana, Inc. is designated as the joint account Lessee (contact person) of State Lease Nos 14519, 14520, 14521, 14522, 14912, 14914, 14915, 14916, 14953, 14954, 16310 and 16859 pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

Clayton Williams Energy, Inc. is designated as the joint account Lessee (contact person) of State Lease Nos. 17376, 17378, 20020 and 20117 pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

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

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

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

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

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

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

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

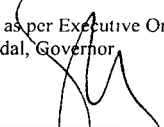
BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

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

By:   
Scott A. Angelle  
Chairman, State Mineral Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10 from the April 13, 2011 Meeting be approved, said instrument being an Assignment from Dynamic Offshore Resources, LLC, an undivided 40.1425% of 8/8<sup>th</sup> interest to the following in the proportions set out below:

Fortune Natural Resources Corporation	13.6425% of 8/8ths
Sundown Energy, LP	8.3750% of 8/8ths
Panther Bayou Energy, LLC	4.6000% of 8/8ths
Panther Bayou Marsh Island Interest II, LLC	3.4000% of 8/8ths
All Aboard Development Corp	2.5000% of 8/8ths
Marsh Island, L.P.	2.1000% of 8/8ths
West Indies Energy, L.L.C	1.5000% of 8/8ths
Garuda Holdings, LLC	0.7500% of 8/8ths
Ryan Oil and Gas Partners, L.L.C	0.6250% of 8/8ths
RVCKaiser, L.L.C.	0.5000% of 8/8ths
JEK Marsh, L.L.C.	0.5000% of 8/8ths
GEB II Marsh Island 3D Program, LLC	0.5000% of 8/8ths
Paul and Betty Jacobs	0.3000% of 8/8ths
William Thurwachter	0.3000% of 8/8ths
NWP Partners, LLC	0.2500% of 8/8ths
The Paul and Cathy Schroeder Family Trust	0.2000% of 8/8ths
Orion Resources, Inc.	0.1000% of 8/8ths

in and to State Lease Nos. 19731 and 19746, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

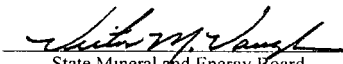
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11 from the April 12, 2011, Meeting be deferred, said instrument being an Assignment from Dune Properties, Inc., an undivided interest to the following in the proportions set out below:

Manti Equity Partners, LP	94% of 60%
Manti Exploration & Production, Inc.	6% of 60%

in and to State Lease No. 1908, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12 from the April 13, 2011 Meeting be approved, said instrument being a Merger whereby PetroCorp Incorporated is merging with and into Unit Petroleum Company, under the name of Unit Petroleum Company, affecting State Lease Nos 1450, 1451, 1480, 12806, 14284, 14589 and 15683, Lafourche and Plaquemines Parishes, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

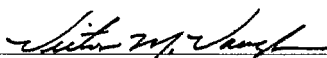
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 13 from the April 13, 2011 Meeting be approved, said instrument being an Assignment and Correction of Assignment from Azalea Properties, Ltd to RCWI, L.P., of all of Assignor's right, title and interest in and to State Lease Nos. 4746, 5021 and 5024, East and West Baton Rouge Parishes, Louisiana, with further particular being stipulated in the instrument.

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

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

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

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

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

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

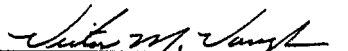
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 14 from the April 13, 2011 Meeting be approved, said instrument being a Change of Name whereby Mariner Energy Resources, Inc is changing its name to Apache Shelf, Inc., under the name of Apache Shelf, Inc , affecting State Lease Nos 451, 861, 862, 872, 978, 1009, 1277, 1278, 1354, 1388, 1922, 1924, 2227, 2474, 2485, 3382, 3770, 8690 and 17935, Plaquemines, St Bernard and Vermilion Parishes, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

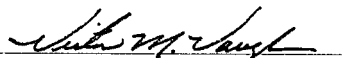
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 15 from the April 13, 2011 Meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas & Land Services, L.L.C to Criolla, L.P, of all of Assignor's right, title and interest in and to State Lease No. 20481, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 16 from the April 13, 2011 Meeting be approved, said instrument being an Assignment from Cypress Energy Corporation to Houston Energy, L.P. of all of Assignor's right, title and interest in and to State Lease No 20520, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 17 from the April 13, 2011 Meeting be approved, said instrument being an Assignment from Castex Energy 2005, LP to Castex Energy 2008, LP, an undivided 12.50% of 8/8ths interest in and to State Lease No. 19777, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

Castex Energy 2008, LP is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

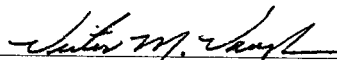
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18 from the April 13, 2011 Meeting be approved, said instrument being an Assignment from Castex Energy Partners, L.P. to Castex Energy 2008, L.P., an undivided 3 1/25% of 8/8ths interest in and to State Lease Nos. 20221, 20367, 20368 and 20369, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

- 1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;
- 4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30.128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;
- 5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and
- 6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 19 from the April 13, 2011 Meeting be approved, said instrument being an Assignment from Castex Energy Partners, L.P. to Castex Energy 2008, L.P., an undivided 12.50% of 8/8ths interest in and to State Lease No. 19774, St. Charles Parish, Louisiana, with further particulars being stipulated in the instrument

Castex Energy 2008, L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.


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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 20 from the April 13, 2011 Meeting be approved, said instrument being an Assignment from Castex Energy Partners, L.P to Castex Energy 2008, L.P., an undivided 2.1875% of 8/8ths interest in and to Operating Agreement "A0301", St. Mary Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said Interests cover that portion of that certain 860 acre tract of the Belle Isle selection of State Lease #340, which are located within the boundaries of the L RA SUA Unit, **AND FURTHER LIMITED TO** rights from the surface down to a depth of 14,766' MD as seen in the SL 340 Atachafalaya Bay #44 Well, with further particulars being stipulated in the instrument

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

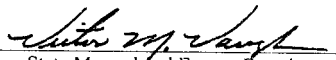
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 21 from the April 13, 2011 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from Castex Energy 2005, L P to Castex Energy 2008, L P, an undivided 4.861125% of 8/8ths interest in and to State Lease No. 340, Iberia and St. Mary Parishes, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to the Geographic Areas 0 thru 6, shown on the plat attached hereto as Exhibit "A", **AND FURTHER LIMITED TO** those depths at or below 100' below the base of the 20 Sand, with further particulars being stipulated in the instrument.

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

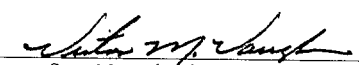
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows

- 1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;
- 4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30.128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;
- 5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and
- 6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

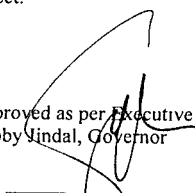
BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

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

By:   
Scott A. Argelle  
Chairman, State Mineral Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 22 from the April 13, 2011 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Amendment of that certain Assignment, dated effective March 27, 2009, from Chevron U.S.A. Inc. to McMoRan Oil & Gas LLC, whereas said parties desire to amend the Assignment by deleting the header of the Assignment and replace it with "(Blueberry Hill Prospect-2,964.9 Acre Tract Burton Successors Subleases)", delete the Exhibit "B" in its entirety and replace with the Exhibit "B" attached hereto and to include an additional 14.81 acres, as depicted as the green hatched acreage on the bottom right-hand corner of the Exhibit "B-1" map attached hereto, with further particulars being stipulated in the instrument

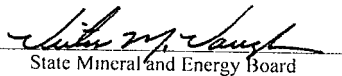
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

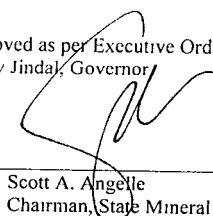
BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

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

By:   
Scott A. Angelle  
Chairman, State Mineral Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 23 from the April 13, 2011 Meeting be approved, said instrument being an Assignment from Patrick L. Donohue Petroleum Properties, Inc to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease No 20519, Jefferson and Lafourche Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 24 from the April 13, 2011 Meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas & Land Services, L.L.C. to Castex Energy Partners L.P., by Castex Energy II, LLC, General Partner, of all of Assignor's right, title and interest in and to State Lease Nos 20515, 20532, 20533 and 20535, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument

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

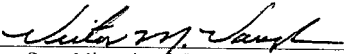
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 25 from the April 13, 2011 Meeting be approved, said instrument being an Assignment and Amendment of Assignment from Flagstone 1992, L.P. to COG-EPCO 1992 Limited Partnership, of all of Assignor's right, title and interest in and to State Lease Nos. 6121 and 14674, East Baton Rouge, West Baton Rouge and Pointe Coupee Parishes, Louisiana, with further particulars being stipulated in the instrument.

COG-EPCO 1992 Limited Partnership is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975


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

- 1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;
- 4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R S 30.128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;
- 5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and
- 6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 26 from the April 13, 2011 Meeting be approved, said instrument being an Assignment from Tema Oil and Gas Company to BP America Production Company, of all of Assignor's right, title and interest in and to State Lease No. 4318, Pointe Coupee Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers lands within the TUSC 20350 RC SU A, as to depths from 13,001' down to 21,451' being 100' below the designated bottom of the deepest producing formation, with further particulars being stipulated in the instrument.

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

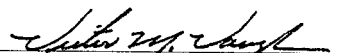
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

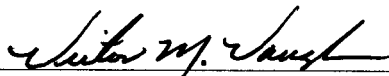
On motion of Mr. Segura, seconded by Mr. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-08 from the April 13, 2011, Meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board and Hilcorp Energy Company, General Partner for Hilcorp Energy I, L.P., to create an Operating Tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 25% Before Payout, increasing to 28% after Payout in and to the Operating Tract, whereas Operator desires and intends to re-establish production from the QBI LWR EG RA SU, Louisiana, containing 139.63 acres, more or less, covering unleased acreage, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of April, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

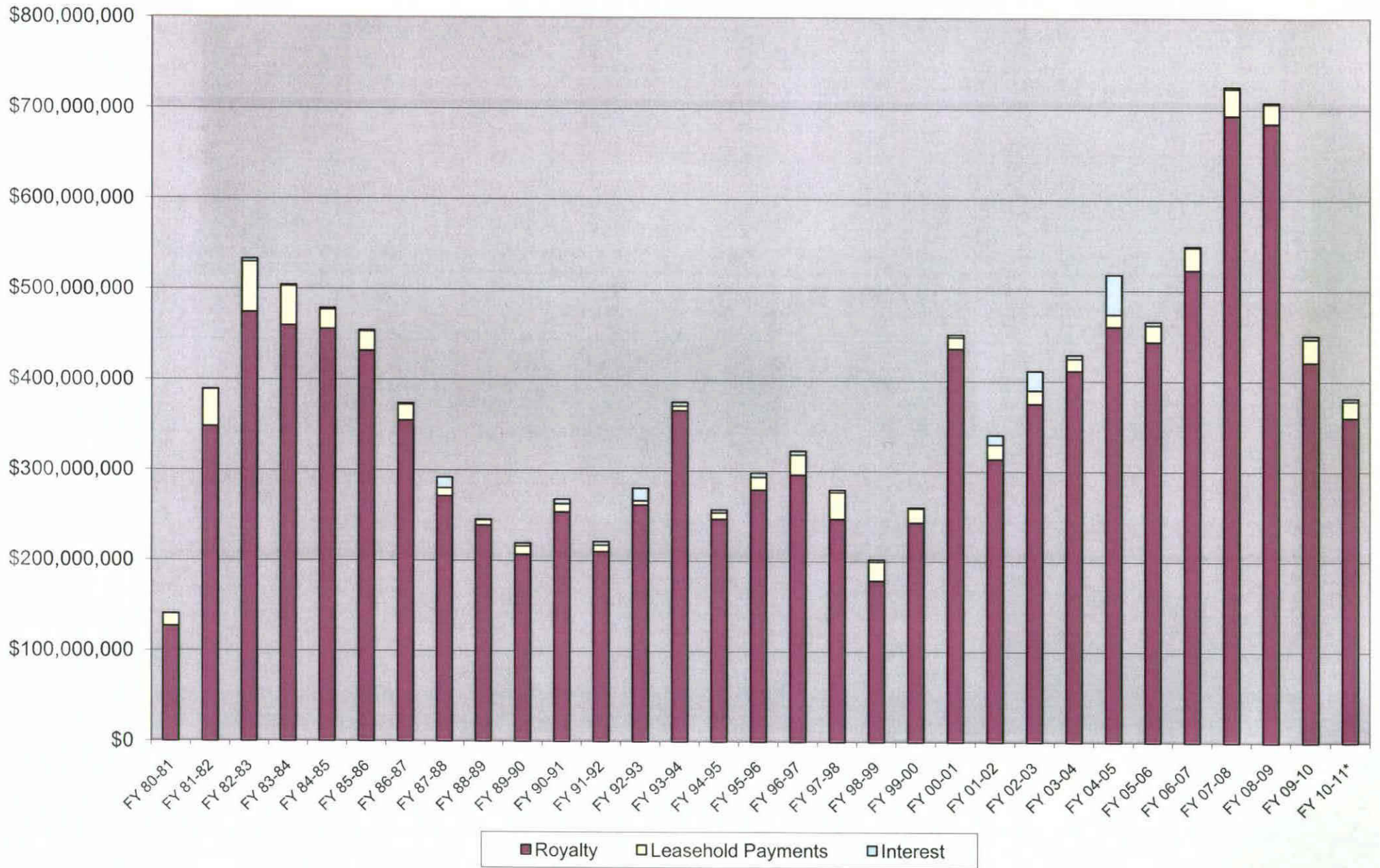


\_\_\_\_\_  
State Mineral and Energy Board



Office of Mineral Resources  
Mineral and Energy Board  
Meeting  
April 13, 2011

## Historical Cash Receipts



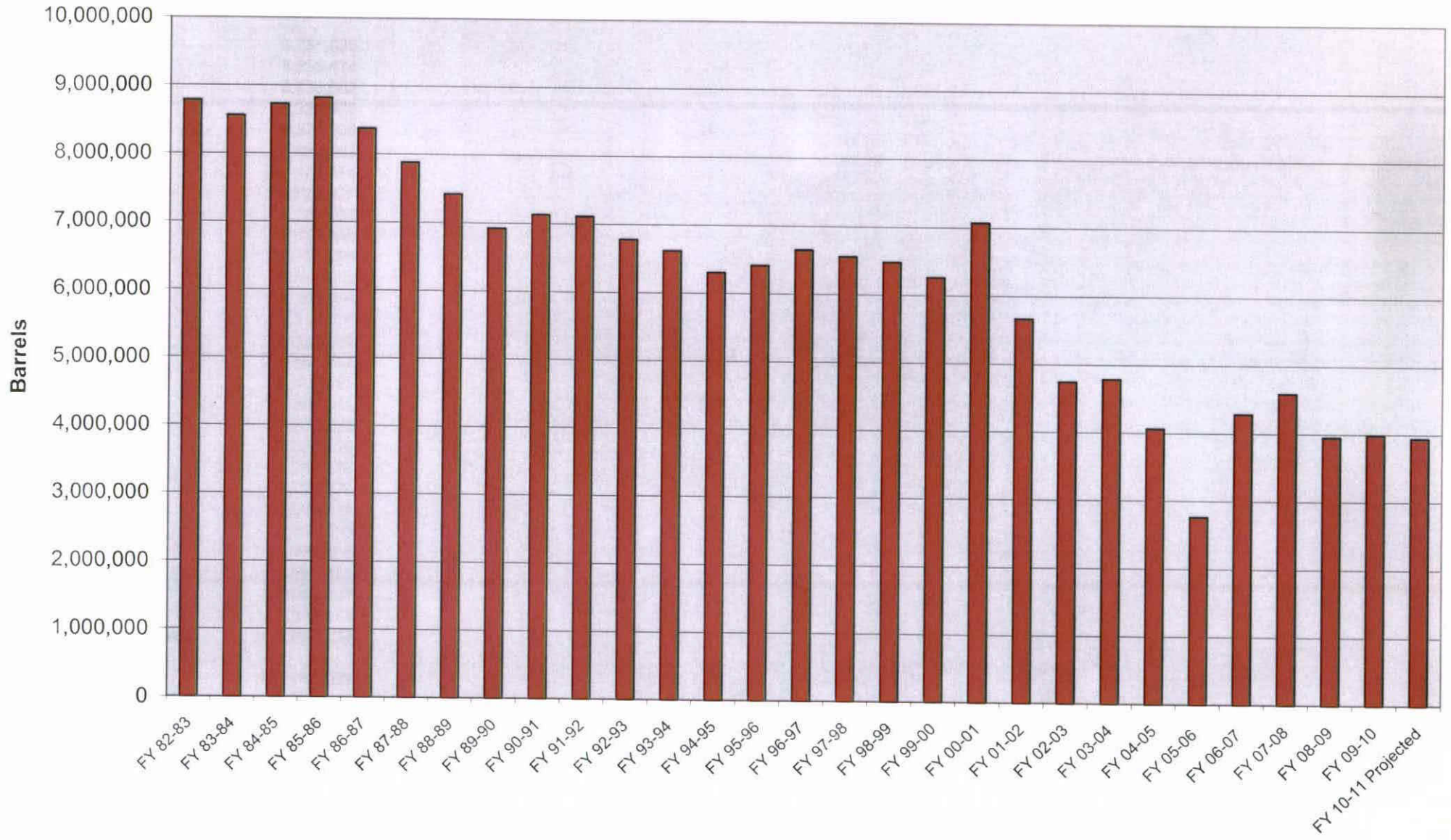


## Historical Cash Receipts

	<u>Bonus</u>	<u>Royalty</u>	<u>Leasehold Payments</u>	<u>Interest</u>	<u>Total</u>	<u>Monthly Average</u>
FY 80-81	\$198,104,745	\$126,962,938	\$13,726,070	\$38,009	\$338,831,763	\$28,235,980
FY 81-82	\$131,117,077	\$348,027,422	\$40,948,515	\$265,203	\$520,358,217	\$43,363,185
FY 82-83	\$125,077,331	\$474,263,313	\$55,641,805	\$3,391,727	\$658,374,176	\$54,864,515
FY 83-84	\$44,758,460	\$459,698,249	\$43,255,022	\$1,524,256	\$549,235,986	\$45,769,665
FY 84-85	\$55,880,090	\$455,791,830	\$21,309,253	\$1,763,379	\$534,744,551	\$44,562,046
FY 85-86	\$61,170,201	\$431,815,874	\$21,511,753	\$1,113,371	\$515,611,199	\$42,967,600
FY 86-87	\$25,942,570	\$354,879,094	\$17,665,672	\$1,606,832	\$400,094,168	\$33,341,181
FY 87-88	\$12,353,802	\$271,257,912	\$8,929,753	\$11,979,478	\$304,520,945	\$25,376,745
FY 88-89	\$28,745,161	\$239,046,099	\$5,812,014	\$843,904	\$274,447,179	\$22,870,598
FY 89-90	\$14,566,153	\$206,720,056	\$9,269,143	\$3,222,195	\$233,777,547	\$19,481,462
FY 90-91	\$11,165,526	\$253,746,520	\$9,211,891	\$5,203,730	\$279,327,667	\$23,277,306
FY 91-92	\$6,434,397	\$209,901,054	\$7,311,704	\$3,921,211	\$227,568,366	\$18,964,030
FY 92-93	\$8,440,252	\$261,813,228	\$4,740,303	\$13,900,890	\$288,894,674	\$24,074,556
FY 93-94	\$12,717,182	\$366,476,927	\$4,991,838	\$4,217,741	\$388,403,688	\$32,366,974
FY 94-95	\$24,823,265	\$246,335,063	\$7,203,636	\$3,218,058	\$281,580,022	\$23,465,002
FY 95-96	\$32,593,416	\$278,760,461	\$14,298,740	\$4,561,045	\$330,213,662	\$27,517,805
FY 96-97	\$53,288,169	\$295,576,020	\$22,314,560	\$4,249,293	\$375,428,041	\$31,285,670
FY 97-98	\$50,493,823	\$246,741,067	\$29,645,527	\$2,740,889	\$329,621,306	\$27,468,442
FY 98-99	\$19,050,657	\$178,424,388	\$21,074,412	\$2,531,361	\$221,080,819	\$18,423,402
FY 99-00	\$18,569,755	\$242,898,371	\$15,915,901	\$1,091,752	\$278,475,778	\$23,206,315
FY 00-01	\$32,740,448	\$435,407,994	\$12,663,749	\$2,842,244	\$483,654,435	\$40,304,536
FY 01-02	\$23,694,681	\$313,406,688	\$16,272,288	\$10,490,957	\$363,864,614	\$30,322,051
FY 02-03	\$22,598,580	\$374,872,047	\$14,874,075	\$21,524,326	\$433,869,028	\$36,155,752
FY 03-04	\$25,978,167	\$411,350,277	\$13,474,503	\$4,304,885	\$455,107,832	\$37,925,653
FY 04-05	\$38,696,837	\$459,982,045	\$13,769,854	\$43,902,608	\$556,351,343	\$46,362,612
FY 05-06	\$37,995,175	\$443,298,720	\$18,494,328	\$3,910,046	\$503,698,269	\$41,974,856
FY 06-07	\$52,139,307	\$522,453,427	\$25,057,910	\$1,335,183	\$600,985,827	\$50,082,152
FY 07-08	\$61,175,021	\$693,034,893	\$29,820,735	\$2,322,081	\$786,352,730	\$65,529,394
FY 08-09	\$143,182,978	\$684,405,483	\$21,853,067	\$1,581,618	\$851,023,146	\$70,918,596
FY 09-10	\$29,151,741	\$420,718,802	\$26,049,542	\$3,612,904	\$479,532,989	\$39,961,082
FY 10-11*	\$25,054,237	\$359,708,786	\$18,613,910	\$3,104,991	\$406,481,924	\$45,164,658
	\$1,427,699,203	\$11,067,775,047	\$585,721,474	\$170,316,166	\$13,251,511,890	
% of Total	11%	84%	4%	1%		

\*July through March 2011 only

# Historical Oil Production

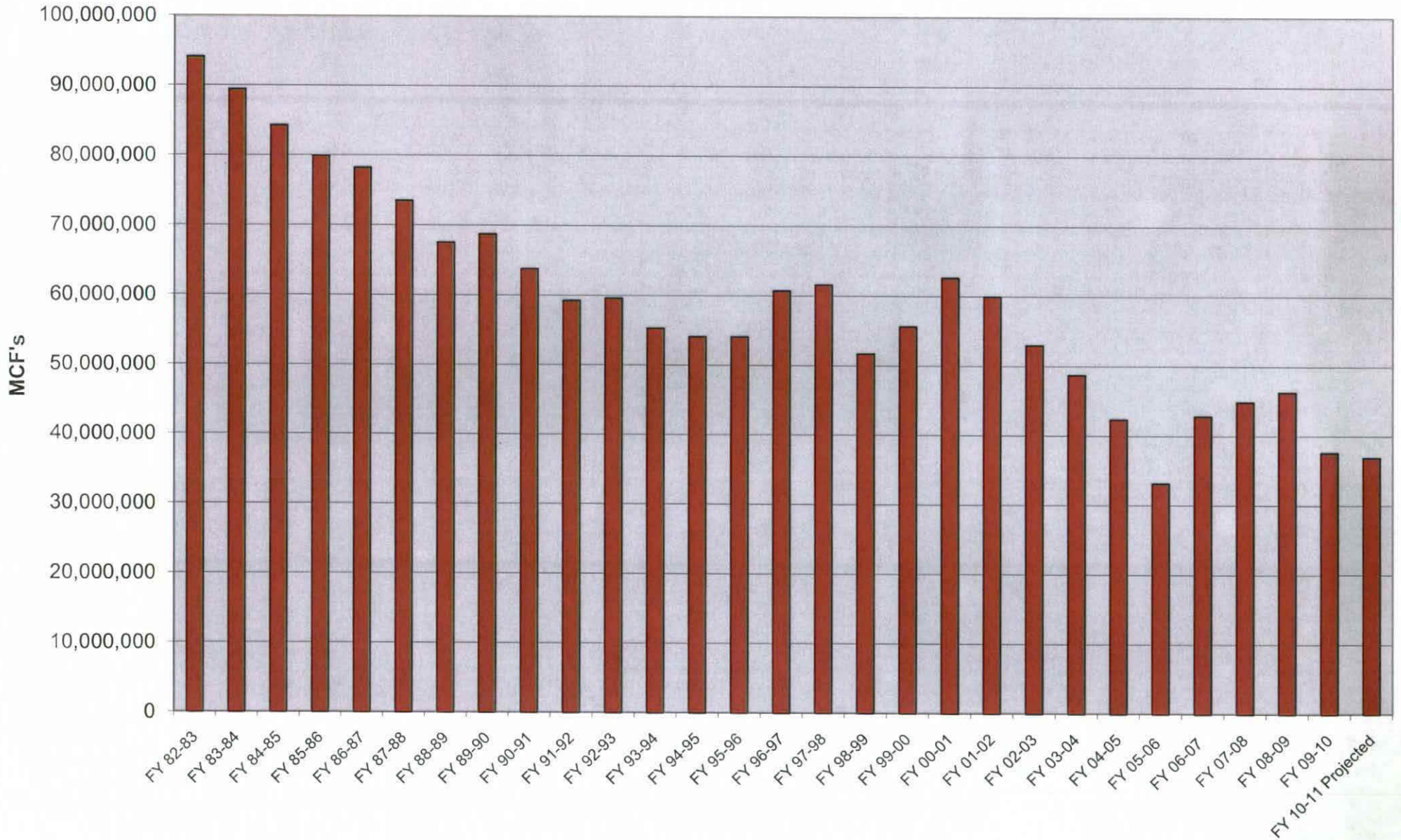




## Historical Oil Production

	<u>Barrels</u>
FY 82-83	8,781,026
FY 83-84	8,558,474
FY 84-85	8,730,682
FY 85-86	8,824,976
FY 86-87	8,377,006
FY 87-88	7,882,985
FY 88-89	7,423,374
FY 89-90	6,925,937
FY 90-91	7,131,084
FY 91-92	7,112,144
FY 92-93	6,782,359
FY 93-94	6,621,212
FY 94-95	6,309,036
FY 95-96	6,418,023
FY 96-97	6,653,990
FY 97-98	6,561,424
FY 98-99	6,485,581
FY 99-00	6,264,810
FY 00-01	7,073,883
FY 01-02	5,670,120
FY 02-03	4,747,875
FY 03-04	4,790,574
FY 04-05	4,065,744
FY 05-06	2,766,635
FY 06-07	4,291,644
FY 07-08	4,595,558
FY 08-09	3,955,201
FY 09-10	3,993,472
FY 10-11 Projected	3,946,233
	181,741,059
% of Total	2%

## Historical Gas Production

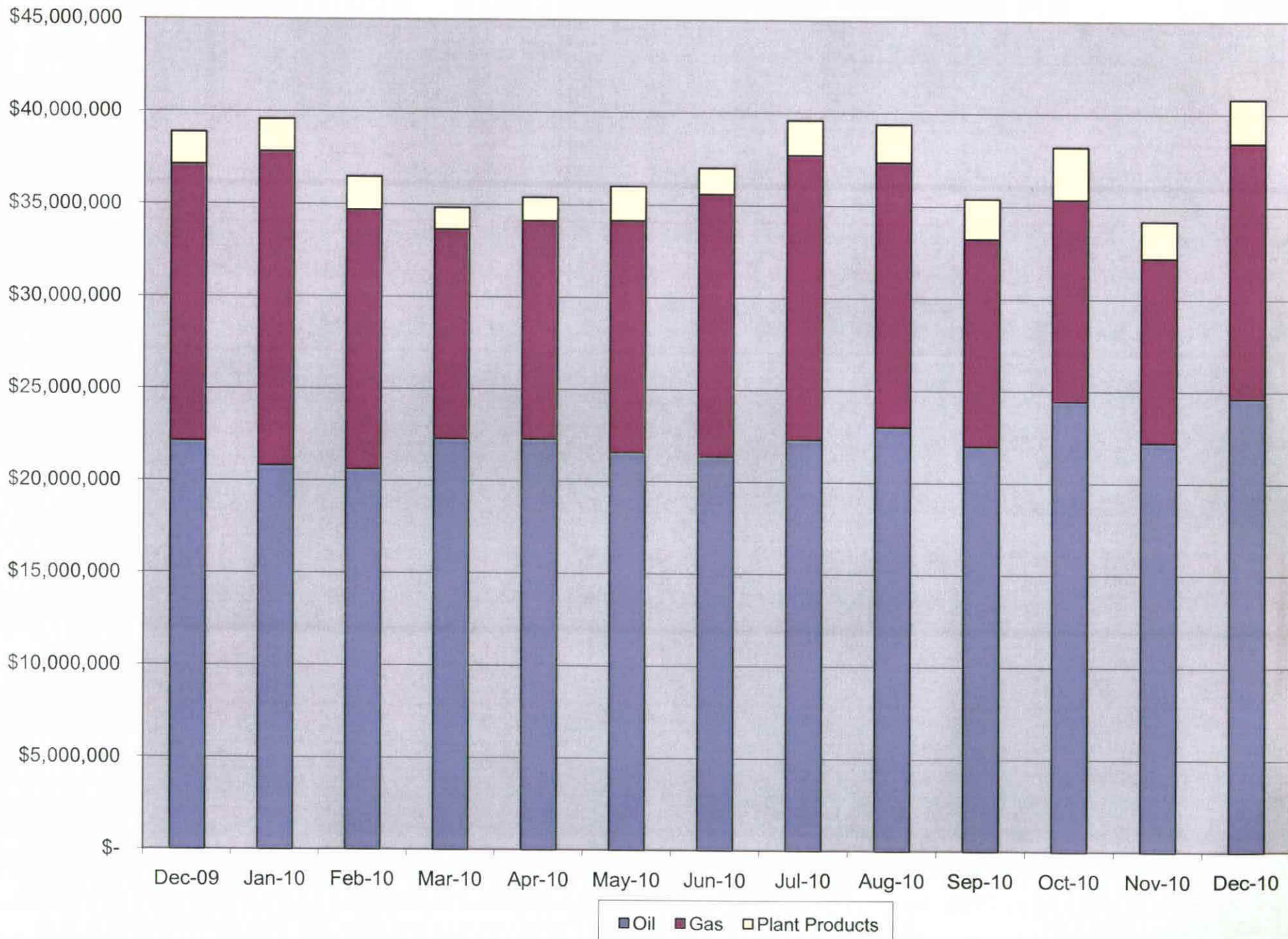


■ Gas Production

## Historical Gas Production

	<u>MCF's</u>
FY 82-83	94,125,368
FY 83-84	89,454,160
FY 84-85	84,301,670
FY 85-86	79,934,040
FY 86-87	78,234,139
FY 87-88	73,532,729
FY 88-89	67,566,288
FY 89-90	68,771,995
FY 90-91	63,785,078
FY 91-92	59,265,715
FY 92-93	59,631,387
FY 93-94	55,353,141
FY 94-95	54,136,350
FY 95-96	54,136,350
FY 96-97	60,755,685
FY 97-98	61,613,141
FY 98-99	51,729,194
FY 99-00	55,650,030
FY 00-01	62,648,531
FY 01-02	59,989,148
FY 02-03	53,028,702
FY 03-04	48,754,276
FY 04-05	42,369,541
FY 05-06	33,179,715
FY 06-07	42,851,389
FY 07-08	44,892,131
FY 08-09	46,319,246
FY 09-10	37,620,932
FY 10-11 Projected	36,925,476
	1,720,555,547
% of Total	2%

### Royalty Collections by Disposition Month

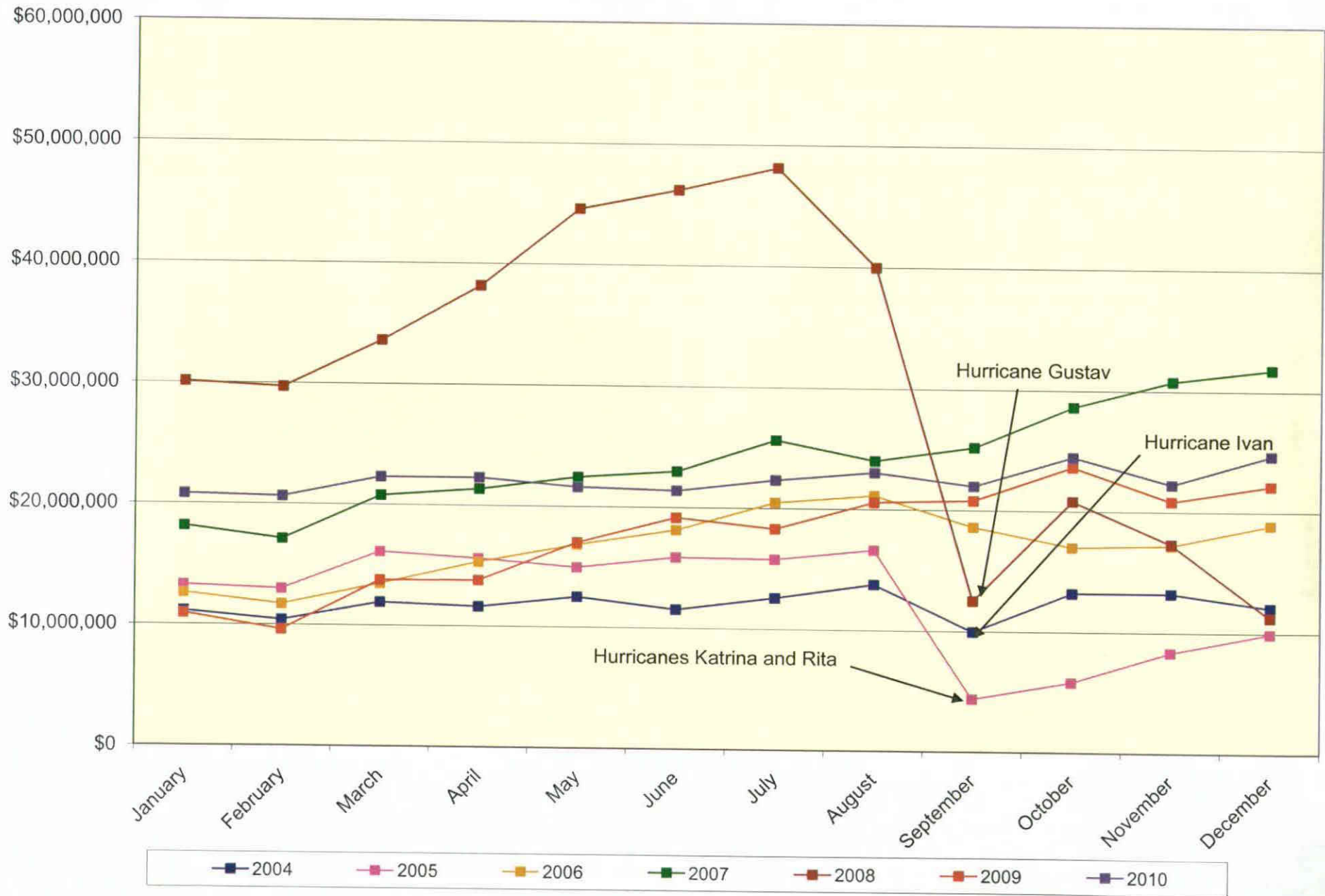




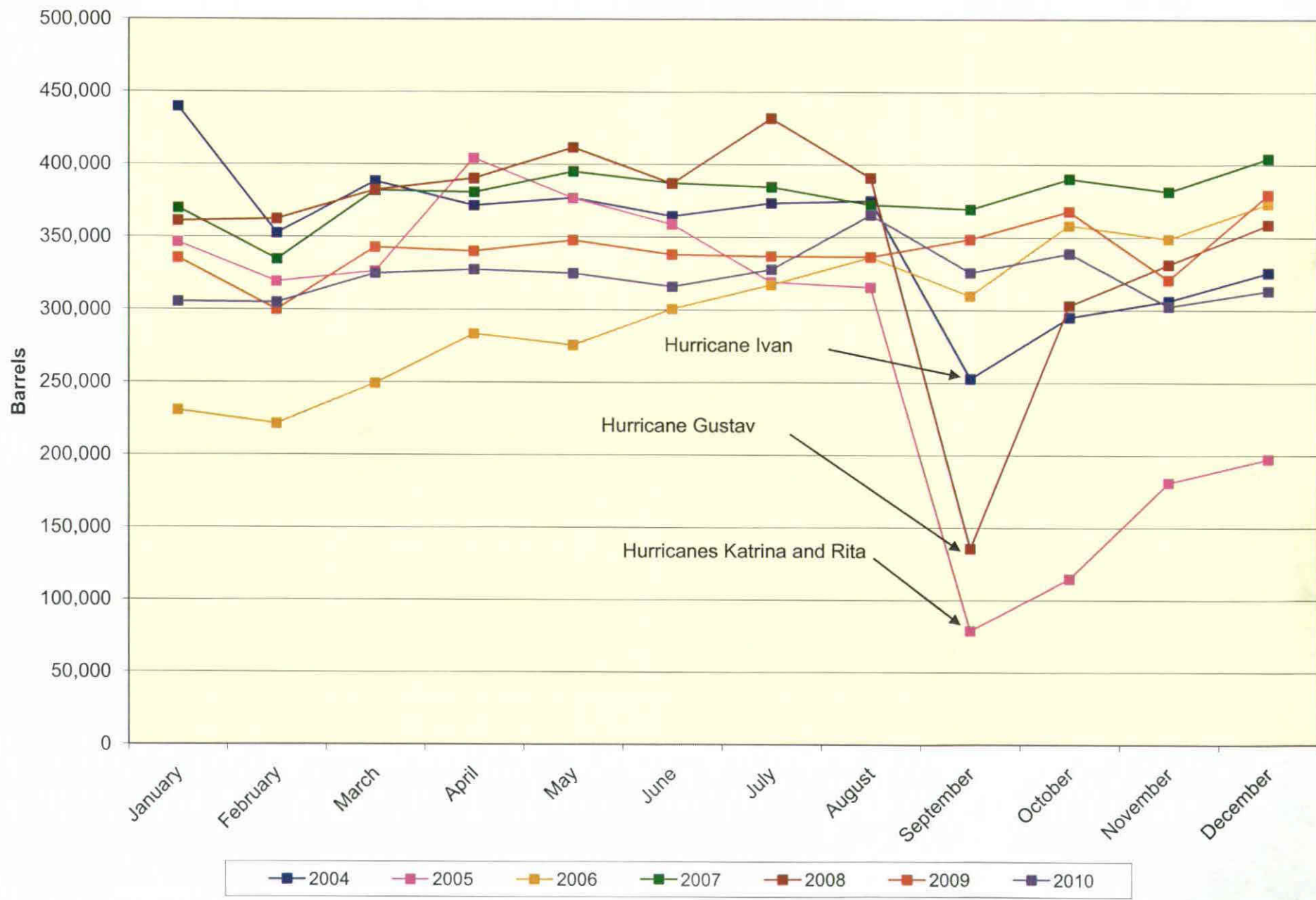
## Royalty Collections by Disposition Month

<u>Disposition Month</u>	<u>Oil</u>	<u>Gas</u>	<u>Plant Products</u>	<u>Total</u>
December 2009	22,145,051.51	14,990,090.69	1,734,008.24	38,869,150.44
January 2010	20,810,877.47	17,013,438.19	1,746,220.21	39,570,535.87
February 2010	20,629,530.99	14,070,956.80	1,778,855.73	36,479,343.52
March 2010	22,286,698.81	11,370,684.23	1,178,285.10	34,835,668.14
April 2010	22,293,742.76	11,847,612.62	1,262,860.91	35,404,216.29
May 2010	21,593,335.60	12,568,373.99	1,859,714.70	36,021,424.29
June 2010	21,368,549.46	14,236,487.03	1,413,916.41	37,018,952.90
July 2010	22,317,917.61	15,406,566.95	1,880,776.51	39,605,261.07
August 2010	23,027,256.85	14,331,205.94	2,044,564.54	39,403,027.33
September 2010	21,996,213.00	11,250,052.43	2,168,138.42	35,414,403.85
October 2010	24,458,844.17	10,928,667.96	2,824,243.12	38,211,755.25
November 2010	22,220,931.55	10,004,658.83	1,992,947.39	34,218,537.77
December 2010	24,636,547.79	13,799,499.80	2,364,015.12	40,800,062.71
<b>Total</b>	<b>\$ 289,785,497.57</b>	<b>\$ 171,818,295.46</b>	<b>\$ 24,248,546.40</b>	<b>\$ 485,852,339.43</b>
% of Total	60%	35%	5%	

### Oil Royalty by Disposition Month



### Oil Volume by Disposition Month



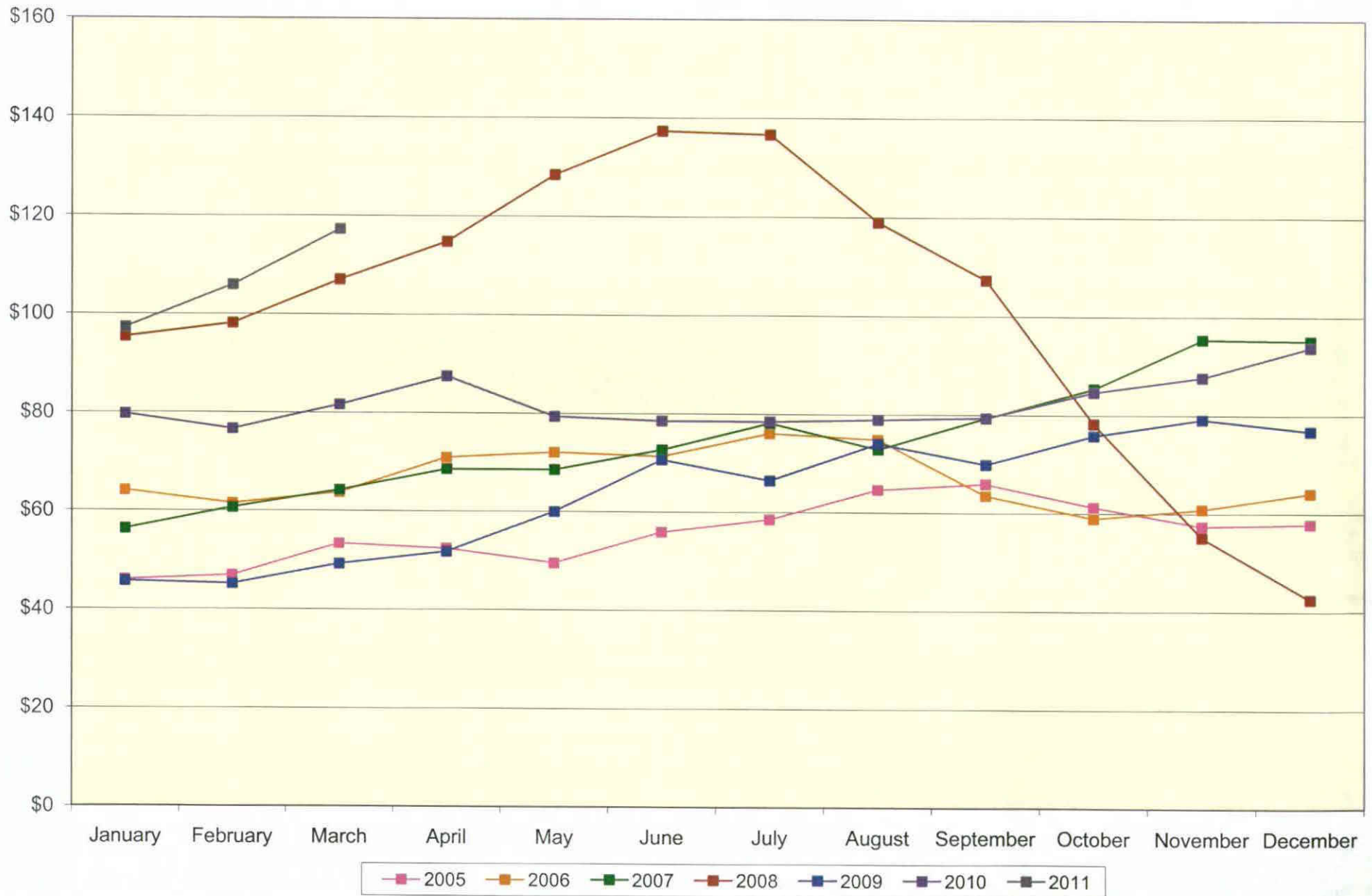
## Oil Volume by Disposition Month

<u>Disposition Month</u>	<u>Barrels</u>
January 2004	439,528.9609
February 2004	352,554.1807
March 2004	388,250.3056
April 2004	371,664.9497
May 2004	376,944.4191
June 2004	364,373.3908
July 2004	373,376.3670
August 2004	374,957.0454
September 2004	252,648.3494
October 2004	294,836.0875
November 2004	306,161.9020
December 2004	325,615.3498
January 2005	346,534.8170
February 2005	319,401.7647
March 2005	326,574.1954
April 2005	404,282.7275
May 2005	376,916.3110
June 2005	358,886.3852
July 2005	319,254.6372
August 2005	315,616.4399
September 2005	78,702.6983
October 2005	114,538.4508
November 2005	180,921.8969
December 2005	197,290.8761
January 2006	230,553.1412
February 2006	221,290.4591
March 2006	249,233.3520
April 2006	283,338.5046
May 2006	275,598.7558
June 2006	300,558.2834
July 2006	317,273.1720
August 2006	336,148.3010
September 2006	309,714.7966
October 2006	358,167.3469
November 2006	348,876.4593
December 2006	372,942.6979
January 2007	369,686.7391
February 2007	334,445.2821
March 2007	381,894.4336
April 2007	380,620.5660
May 2007	394,922.1387
June 2007	386,951.9410
July 2007	384,343.3655
August 2007	372,200.9844
September 2007	369,099.6361
October 2007	390,100.0705
November 2007	381,339.3224
December 2007	404,072.8738
January 2008	361,021.5679
February 2008	362,287.0550
March 2008	382,344.2816
April 2008	390,294.3354
May 2008	411,623.2127
June 2008	386,831.4511
July 2008	431,709.6682
August 2008	390,806.4259
September 2008	135,410.9035
October 2008	303,036.8980
November 2008	331,214.4095
December 2008	358,559.8542
January 2009	335,615.9220
February 2009	299,910.2142
March 2009	342,905.0606
April 2009	340,216.9300
May 2009	347,798.2789
June 2009	338,016.4677
July 2009	336,871.9107
August 2009	336,575.7137
September 2009	348,624.1318
October 2009	367,807.4672
November 2009	320,687.7396
December 2009	379,226.4736
January 2010	305,451.6956
February 2010	304,819.6138
March 2010	324,913.9167
April 2010	327,543.5393
May 2010	325,014.2871
June 2010	315,935.1013
July 2010	327,751.7816
August 2010	365,368.8604
September 2010	325,680.8675
October 2010	338,842.7186
November 2010	302,337.5351
December 2010	313,134.6296



### Oil Prices

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

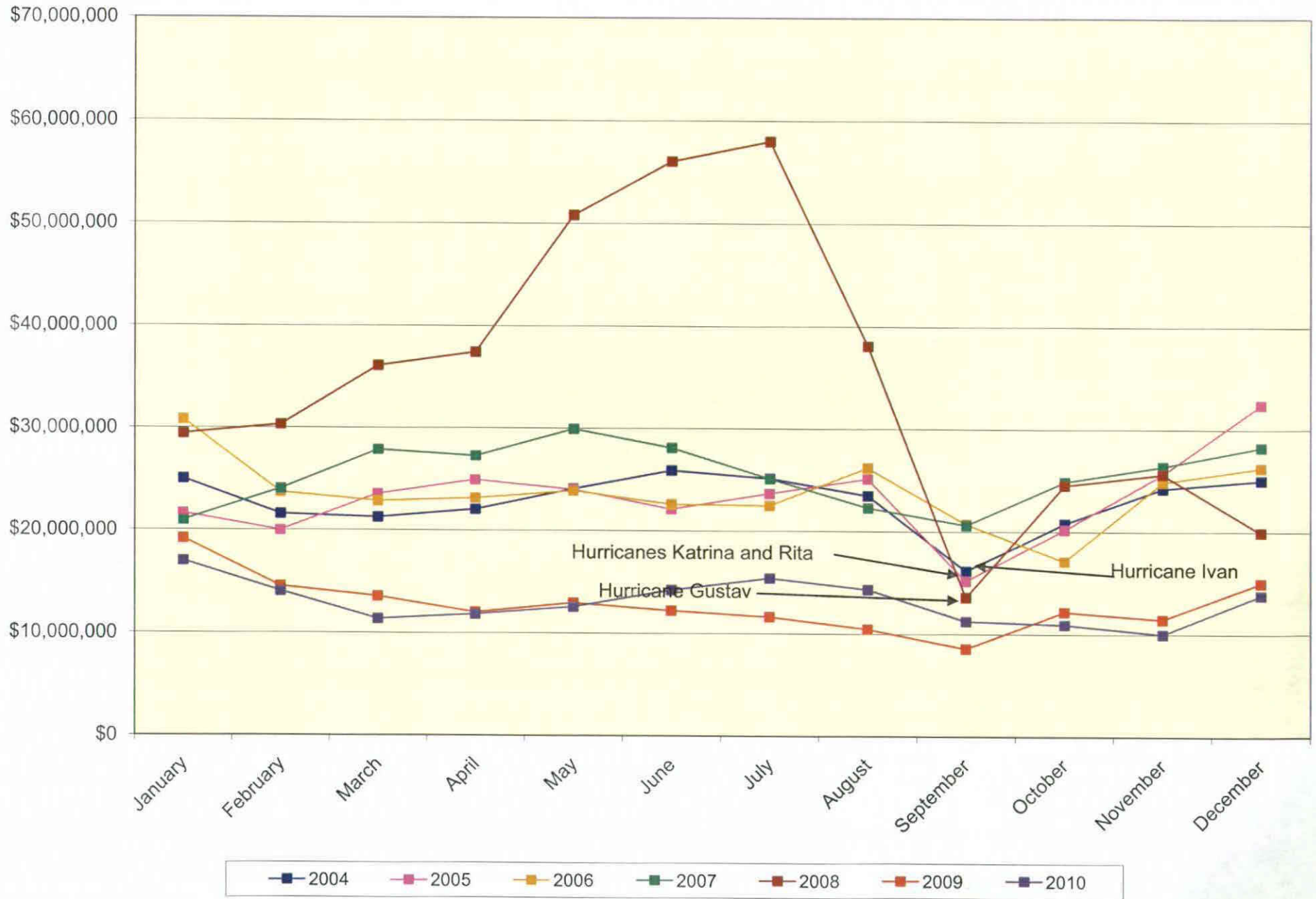


**Monthly Average Oil Prices**

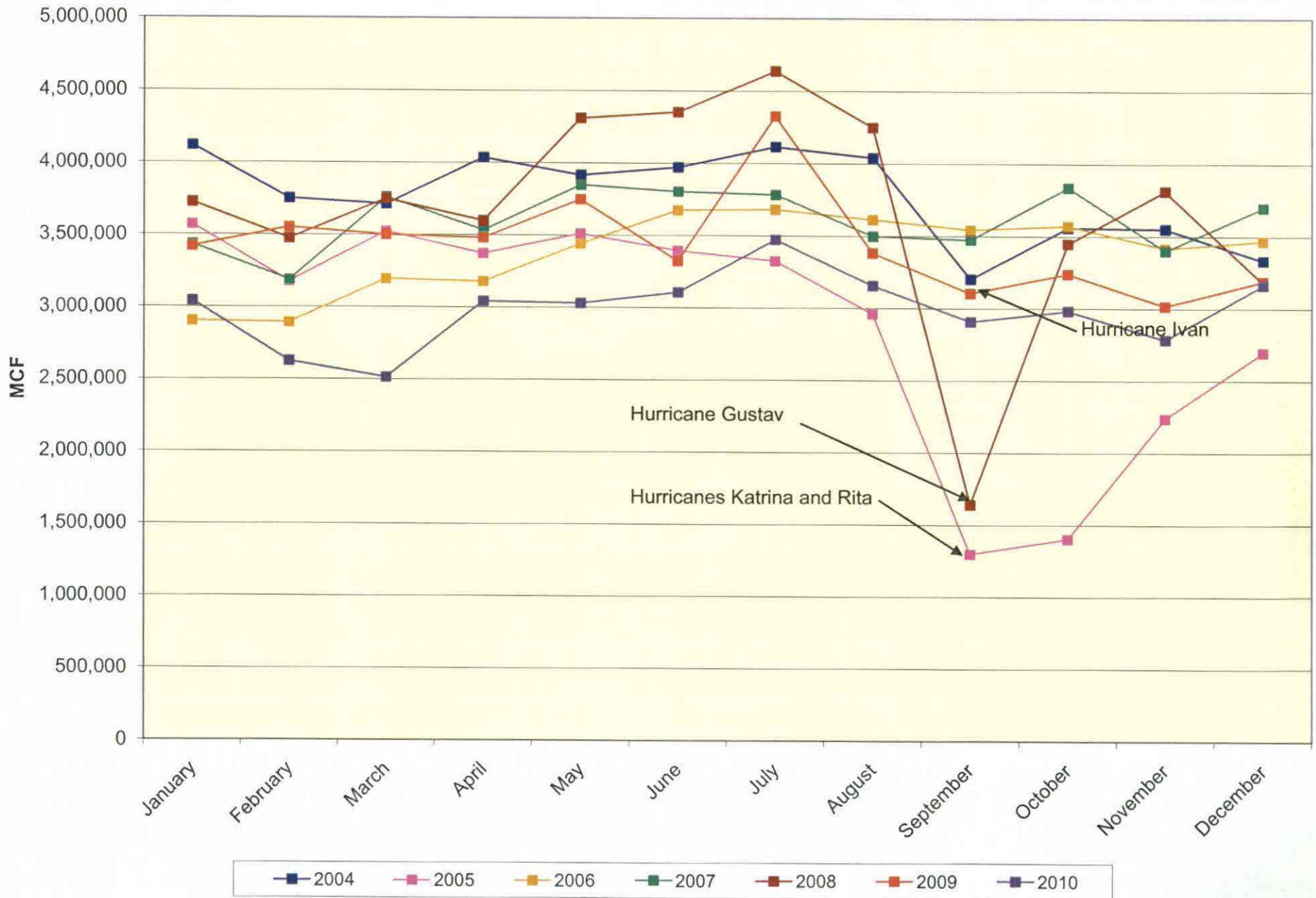
Jan-04	\$34.66
Feb-04	\$34.05
Mar-04	\$36.60
Apr-04	\$35.80
May-04	\$39.28
Jun-04	\$37.15
Jul-04	\$40.24
Aug-04	\$44.32
Sep-04	\$45.81
Oct-04	\$53.46
Nov-04	\$47.33
Dec-04	\$42.28
Jan-05	\$46.02
Feb-05	\$46.94
Mar-05	\$53.42
Apr-05	\$52.46
May-05	\$49.59
Jun-05	\$55.94
Jul-05	\$58.53
Aug-05	\$64.67
Sep-05	\$65.93
Oct-05	\$61.29
Nov-05	\$57.41
Dec-05	\$57.81
Jan-06	\$64.11
Feb-06	\$61.49
Mar-06	\$63.76
Apr-06	\$70.92
May-06	\$72.06
Jun-06	\$71.31
Jul-06	\$76.04
Aug-06	\$74.85
Sep-06	\$63.52
Oct-06	\$58.93
Nov-06	\$60.85
Dec-06	\$64.12
Jan-07	\$56.29
Feb-07	\$61.27
Mar-07	\$64.22
Apr-07	\$68.51
May-07	\$68.48
Jun-07	\$72.60
Jul-07	\$78.08
Aug-07	\$72.81
Sep-07	\$79.26
Oct-07	\$85.27
Nov-07	\$95.28
Dec-07	\$95.04
Jan-08	\$95.38
Feb-08	\$98.17
Mar-08	\$107.05
Apr-08	\$114.80
May-08	\$128.47
Jun-08	\$137.37
Jul-08	\$136.70
Aug-08	\$119.00
Sep-08	\$107.35
Oct-08	\$79.86
Nov-08	\$55.08
Dec-08	\$42.51
Jan-09	\$45.67
Feb-09	\$45.18
Mar-09	\$49.26
Apr-09	\$51.75
May-09	\$59.98
Jun-09	\$70.59
Jul-09	\$66.43
Aug-09	\$74.01
Sep-09	\$69.83
Oct-09	\$75.74
Nov-09	\$79.08
Dec-09	\$76.71
Jan-10	\$79.65
Feb-10	\$76.64
Mar-10	\$81.61
Apr-10	\$87.44
May-10	\$79.32
Jun-10	\$78.50
Jul-10	\$78.43
Aug-10	\$78.88
Sep-10	\$79.35
Oct-10	\$84.60
Nov-10	\$87.63
Dec-10	93.74
Jan-11	97.26
Feb-11	105.95
Mar-11	117.25

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

### Gas Royalty by Disposition Month



### Gas Volume by Disposition Month



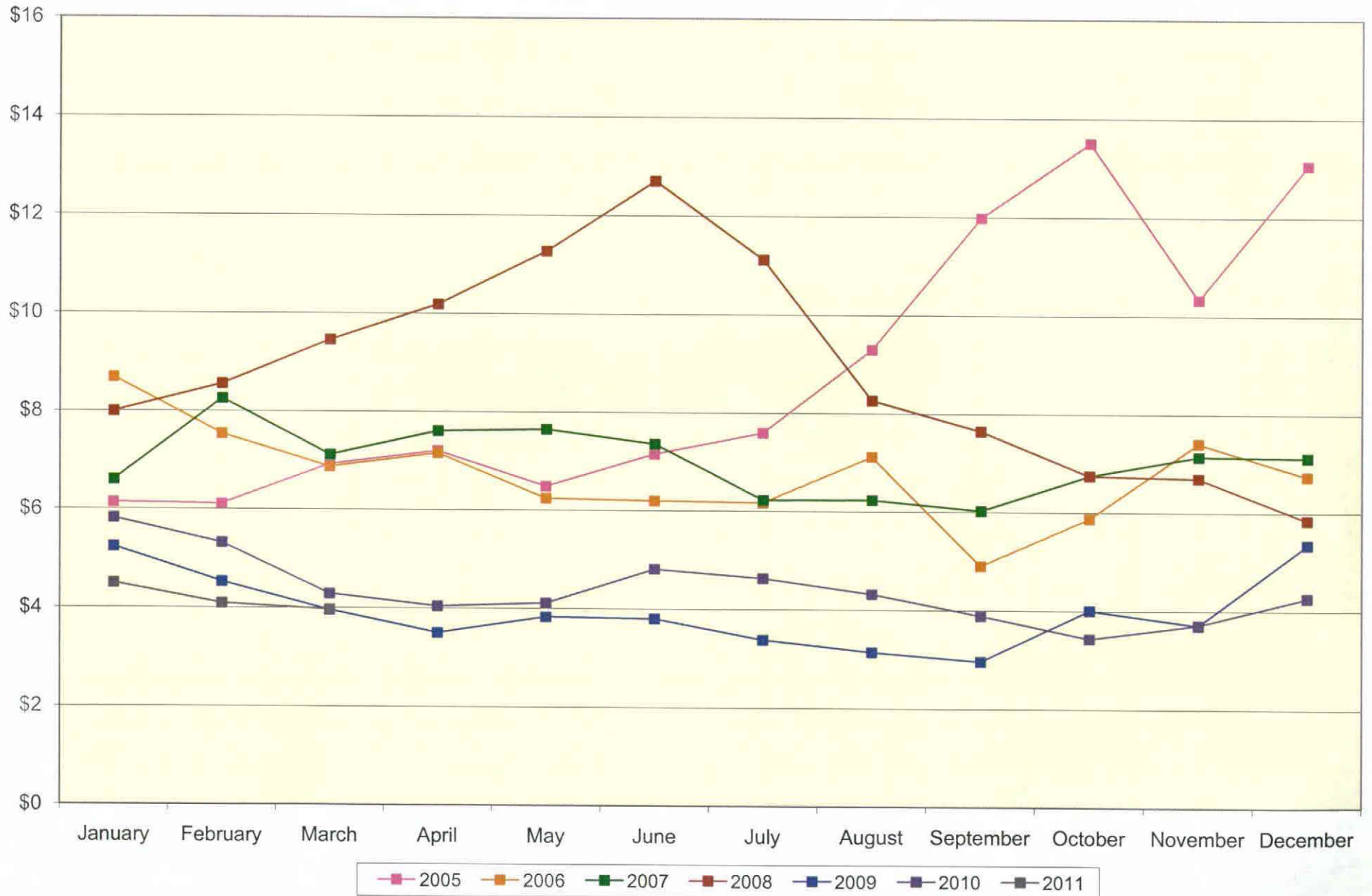
**Gas Volume by Disposition Month**

<u>Disposition Month</u>	<u>MCF</u>
January 2004	4,116,851.7031
February 2004	3,751,396.3749
March 2004	3,712,684.6945
April 2004	4,034,822.4874
May 2004	3,916,088.2692
June 2004	3,969,900.0143
July 2004	4,113,654.6443
August 2004	4,039,039.5326
September 2004	3,203,047.0172
October 2004	3,557,609.2440
November 2004	3,549,434.2038
December 2004	3,331,205.5308
January 2005	3,572,292.7624
February 2005	3,179,408.8827
March 2005	3,524,675.3742
April 2005	3,373,989.9785
May 2005	3,512,440.4707
June 2005	3,396,830.1710
July 2005	3,326,464.2787
August 2005	2,962,636.1525
September 2005	1,299,470.4761
October 2005	1,403,319.1284
November 2005	2,238,950.7428
December 2005	2,696,394.9614
January 2006	2,903,605.4539
February 2006	2,893,564.0591
March 2006	3,195,937.8564
April 2006	3,179,013.8634
May 2006	3,441,908.5053
June 2006	3,675,130.0272
July 2006	3,681,560.8937
August 2006	3,612,949.7915
September 2006	3,543,892.0727
October 2006	3,570,670.6822
November 2006	3,416,427.3444
December 2006	3,467,063.6852
January 2007	3,431,417.7115
February 2007	3,187,283.0760
March 2007	3,758,706.9103
April 2007	3,532,409.0063
May 2007	3,847,360.6544
June 2007	3,801,646.8530
July 2007	3,781,746.6914
August 2007	3,496,860.8815
September 2007	3,473,362.6860
October 2007	3,833,954.5812
November 2007	3,398,892.1836
December 2007	3,696,247.7050
January 2008	3,724,685.7837
February 2008	3,474,608.3770
March 2008	3,748,828.2718
April 2008	3,599,381.0384
May 2008	4,310,626.7505
June 2008	4,352,936.0817
July 2008	4,636,812.0519
August 2008	4,249,440.1888
September 2008	1,640,711.1954
October 2008	3,447,754.0609
November 2008	3,811,908.0110
December 2008	3,178,917.3582
January 2009	3,419,714.2732
February 2009	3,551,987.1740
March 2009	3,500,918.5046
April 2009	3,481,647.2347
May 2009	3,748,868.3711
June 2009	3,323,978.7460
July 2009	4,326,589.1702
August 2009	3,382,882.3581
September 2009	3,105,722.7477
October 2009	3,239,124.7930
November 2009	3,016,846.7162
December 2009	3,187,991.8135
January 2010	3,042,648.0591
February 2010	2,626,024.9636
March 2010	2,513,923.5566
April 2010	3,041,822.1866
May 2010	3,030,166.3161
June 2010	3,107,189.1770
July 2010	3,472,310.4154
August 2010	3,155,761.1617
September 2010	2,908,074.9424
October 2010	2,981,854.6438
November 2010	2,782,600.3262
December 2010	3,162,136.5299



## Natural Gas Prices

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

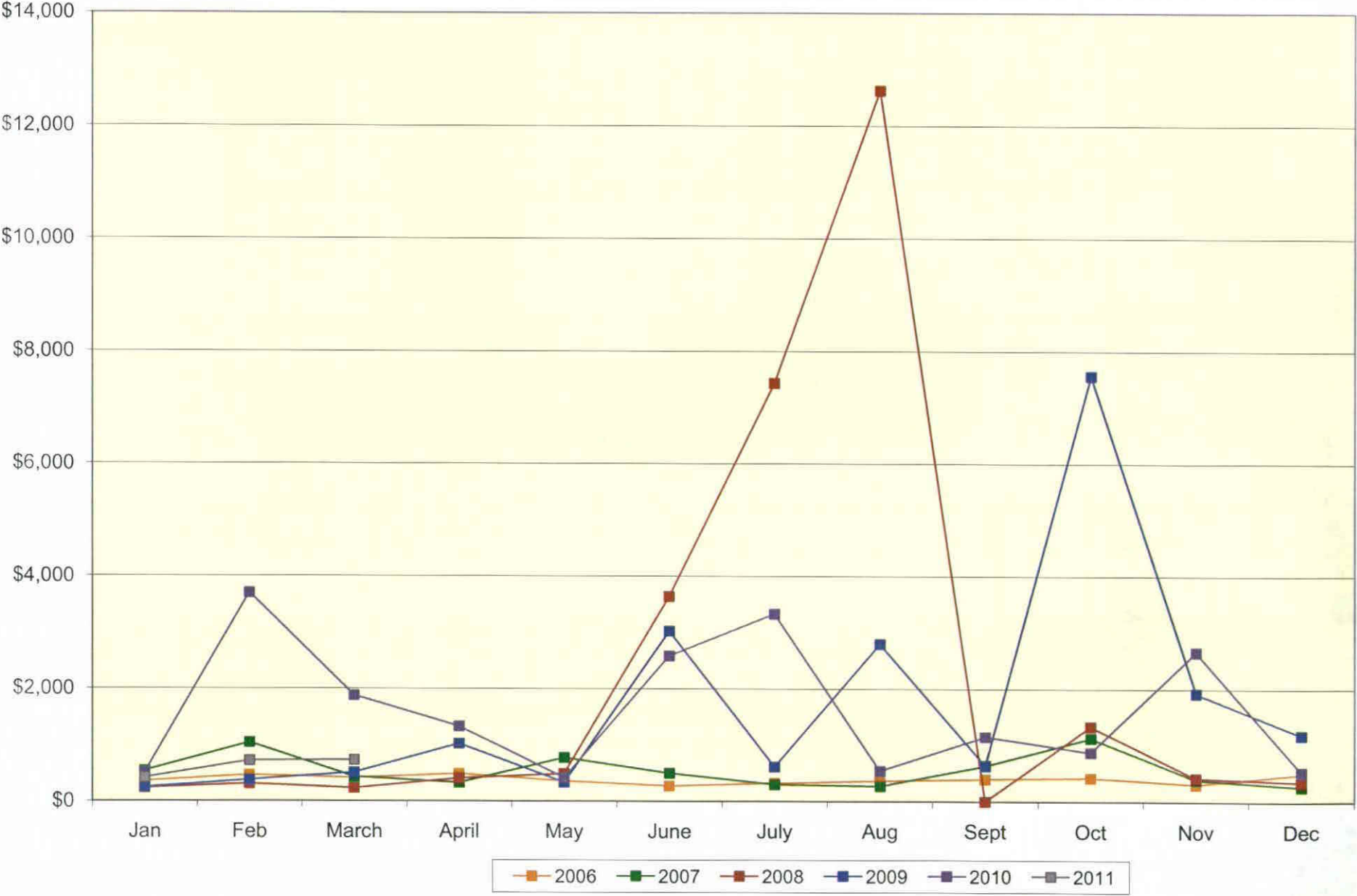


Monthly Average Gas Prices

Jan-04	\$6.1581
Feb-04	\$5.3982
Mar-04	\$5.3784
Apr-04	\$5.7004
May-04	\$6.3000
Jun-04	\$6.2916
Jul-04	\$5.9325
Aug-04	\$5.4506
Sep-04	\$5.0832
Oct-04	\$6.3392
Nov-04	\$6.1481
Dec-04	\$6.6166
Jan-05	\$6.1431
Feb-05	\$6.1124
Mar-05	\$6.9229
Apr-05	\$7.2004
May-05	\$6.4880
Jun-05	\$7.1507
Jul-05	\$7.5910
Aug-05	\$9.2947
Sep-05	\$11.9823
Oct-05	\$13.5015
Nov-05	\$10.3271
Dec-05	\$13.0519
Jan-06	\$8.6780
Feb-06	\$7.5332
Mar-06	\$6.8700
Apr-06	\$7.1500
May-06	\$6.2400
Jun-06	\$6.2000
Jul-06	\$6.1700
Aug-06	\$7.1100
Sep-06	\$4.9000
Oct-06	\$5.8700
Nov-06	\$7.4000
Dec-06	\$6.7300
Jan-07	\$6.6000
Feb-07	\$8.0100
Mar-07	\$7.1100
Apr-07	\$7.6100
May-07	\$7.6400
Jun-07	\$7.3500
Jul-07	\$6.2200
Aug-07	\$6.2300
Sep-07	\$6.0200
Oct-07	\$6.7400
Nov-07	\$7.1300
Dec-07	\$7.1100
Jan-08	\$7.9900
Feb-08	\$8.5500
Mar-08	\$9.4500
Apr-08	\$10.1800
May-08	\$11.2700
Jun-08	\$12.7000
Jul-08	\$11.1100
Aug-08	\$8.2600
Sep-08	\$7.6400
Oct-08	\$6.7400
Nov-08	\$6.6900
Dec-08	\$5.8400
Jan-09	\$5.2400
Feb-09	\$4.5300
Mar-09	\$3.9600
Apr-09	\$3.5000
May-09	\$3.8300
Jun-09	\$3.8000
Jul-09	\$3.3800
Aug-09	\$3.1400
Sep-09	\$2.9600
Oct-09	\$4.0000
Nov-09	\$3.7000
Dec-09	\$5.3400
Jan-10	\$5.8200
Feb-10	\$5.3200
Mar-10	\$4.2900
Apr-10	\$4.0400
May-10	\$4.1100
Jun-10	\$4.8100
Jul-10	\$4.6300
Aug-10	\$4.3200
Sep-10	\$3.8900
Oct-10	\$3.4300
Nov-10	\$3.7100
Dec-10	\$4.2600
Jan-11	\$4.5000
Feb-11	\$4.0900
Mar-11	\$3.9700

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

### Price Per Acre



As of March 9, 2011 Lease Sale

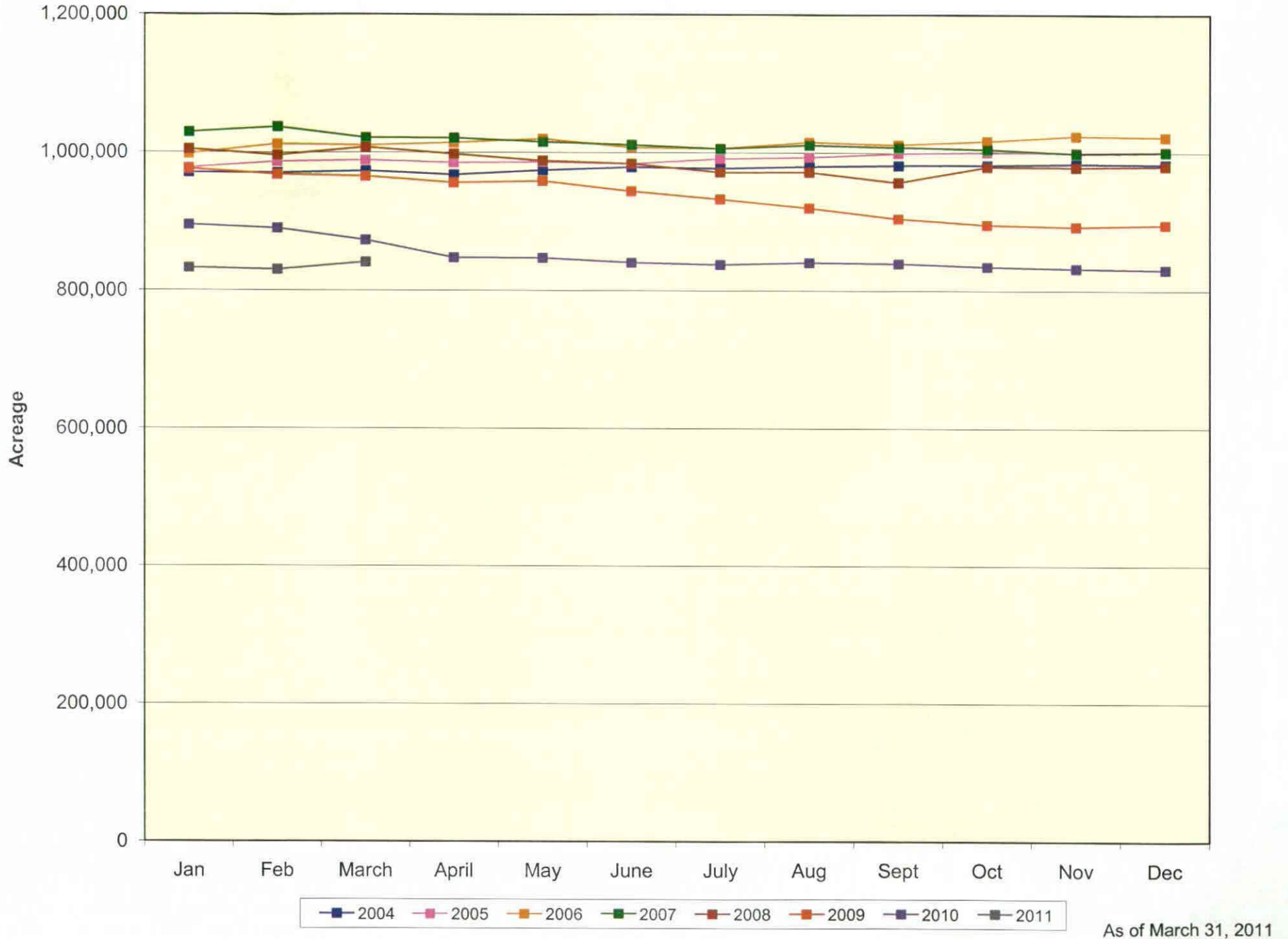


Department of Natural Resources  
Office of Mineral Resources  
Lease Sale Statistics  
For Calendar Years 2006, 2007, 2008, 2009 and 2010

Month	No. of Tracts	No. of Acres	No. of Tracts	% of Nominated	No. of Leases	No. of Acres	Total Bonuses	Price Per
	Nominated	Nominated	with Bids	Tracts with Bids		Leased		Acres
January 2006	47	47,043.313	23	48.9%	26	4,329.743	\$1,537,320.39	\$355.06
February 2006	30	27,775.390	22	73.3%	21	4,893.650	\$2,259,041.24	\$461.63
March 2006	90	102,468.214	33	36.7%	35	11,677.774	\$4,813,881.28	\$412.23
April 2006	68	71,781.410	28	41.2%	30	6,467.852	\$3,141,523.23	\$485.71
May 2006	97	120,198.400	30	30.9%	31	16,817.780	\$6,025,369.95	\$358.27
June 2006	38	31,183.565	23	60.5%	21	3,267.685	\$890,923.62	\$272.65
July 2006	46	61,199.576	17	37.0%	19	4,912.022	\$1,590,293.21	\$323.76
August 2006	98	144,142.110	37	37.8%	47	11,769.250	\$4,274,006.81	\$363.15
September 2006	48	44,760.880	26	54.2%	23	5,029.740	\$2,004,961.50	\$398.62
October 2006	53	36,007.870	28	52.8%	28	4,383.700	\$1,846,724.83	\$421.27
November 2006	93	84,329.325	43	46.2%	38	16,457.630	\$5,058,312.37	\$307.35
December 2006	72	58,722.376	37	51.4%	42	4,490.056	\$2,214,236.41	\$493.14
January 2007	44	43,615.048	23	52.3%	22	8,504.439	\$4,569,069.37	\$537.26
February 2007	61	68,927.865	36	59.0%	39	10,701.885	\$11,078,923.37	\$1,035.23
March 2007	37	55,261.795	19	51.4%	23	5,996.295	\$2,567,201.33	\$428.13
April 2007	58	60,473.270	22	37.9%	24	10,087.120	\$3,250,525.86	\$322.25
May 2007	77	67,181.820	40	51.9%	44	6,303.810	\$4,844,311.64	\$768.47
June 2007	99	159,363.198	31	31.3%	31	8,098.128	\$4,008,594.40	\$495.00
July 2007	90	87,101.800	25	27.8%	27	8,524.270	\$2,529,957.38	\$296.79
August 2007	83	112,945.771	29	34.9%	28	10,786.901	\$2,892,575.29	\$268.16
September 2007	45	34,768.700	14	31.1%	14	3,083.300	1,936,243.01	\$627.98
October 2007	47	41,694.079	16	34.0%	18	5,381.189	\$6,035,465.69	\$1,121.59
November 2007	43	38,583.240	22	51.2%	19	3,024.469	\$1,171,854.94	\$387.46
December 2007	51	50,406.500	26	51.0%	24	9,097.200	\$2,413,328.16	\$265.28
January 2008	59	58,403.266	24	40.7%	19	5,503.936	\$1,304,223.48	\$236.96
February 2008	28	11,245.630	13	46.4%	13	1,407.700	\$433,826.75	\$308.18
March 2008	115	155,146.880	49	42.6%	42	17,154.460	\$3,959,010.21	\$230.79
April 2008	59	57,118.060	29	49.2%	24	3,471.292	\$1,409,967.24	\$406.18
May 2008	46	40,455.817	27	58.7%	20	4,675.363	\$2,287,897.78	\$489.35
June 2008	81	52,441.540	61	75.3%	38	9,852.020	\$35,829,909.81	\$3,636.81
July 2008	67	75,779.603	38	56.7%	29	6,568.763	\$48,806,966.78	\$7,430.16
August 2008	72	31,893.030	72	100.0%	51	7,432.760	\$93,831,700.03	\$12,624.07
September 2008	-	-	-	0.0%	-	-	\$0.00	
October 2008	367	245,850.305	142	38.7%	128	32,685.321	\$43,559,940.38	\$1,332.71
November 2008	155	105,638.110	53	34.2%	41	8,925.374	\$3,757,649.92	\$421.01
December 2008	142	112,087.562	50	35.2%	29	4,268.826	\$1,501,254.23	\$351.68
January 2009	77	105,817.220	24	31.2%	18	3,594.670	\$880,837.75	\$245.04
February 2009	28	34,140.230	24	85.7%	16	1,612.750	\$604,287.82	\$374.69
March 2009	45	41,747.130	6	13.3%	6	2,681.870	\$1,356,772.99	\$505.91
April 2009	64	69,340.560	20	31.3%	9	760.070	\$773,943.34	\$1,018.25
May 2009	62	47,678.369	28	45.2%	30	11,306.490	\$3,758,375.82	\$332.41
June 2009	11	6,524.502	11	100.0%	11	477.502	\$1,441,487.29	\$3,018.81
July 2009	49	49,772.731	25	51.0%	25	5,308.001	\$3,236,428.98	\$609.73
August 2009	43	12,610.401	45	104.7%	31	2,621.833	\$7,324,454.38	\$2,793.64
September 2009	5	1,339.892	3	60.0%	3	47.092	\$29,932.00	\$635.61
October 2009	46	17,609.762	57	123.9%	29	1,604.742	\$12,131,040.07	\$7,559.50
November 2009	25	19,754.790	17	68.0%	13	1,382.026	\$2,654,065.89	\$1,920.42
December 2009	67	70,732.918	51	76.1%	40	8,016.328	\$9,445,466.55	\$1,178.28
January 2010	53	38,771.489	39	73.6%	31	8,109.459	\$4,099,665.49	\$505.54
February 2010	20	6,217.261	27	135.0%	13	1,704.241	\$6,303,884.98	\$3,698.94
March 2010	23	18,752.018	24	104.3%	16	2,570.538	\$4,826,740.56	\$1,877.72
April 2010	63	19,388.408	64	101.6%	48	2,614.421	\$3,471,860.47	\$1,327.97
May 2010	63	61,447.218	18	28.6%	17	4,380.874	\$1,820,157.40	\$415.48
June 2010	48	39,124.130	18	37.5%	20	2,353.460	\$6,072,056.39	\$2,580.06
July 2010	29	2,924.129	26	89.7%	25	1,380.710	\$4,596,455.32	\$3,329.05
August 2010	39	25,806.820	25	64.1%	26	6,898.420	\$3,716,759.96	\$538.78
September 2010	43	46,609.856	22	51.2%	21	977.875	\$1,121,923.86	\$1,147.31
October 2010	46	26,701.987	28	60.9%	29	3,103.947	\$2,705,881.52	\$871.76
November 2010	39	32,525.955	20	51.3%	19	2,485.560	\$6,592,803.57	\$2,652.44
December 2010	51	14,392.033	23	45.1%	23	5,399.484	\$2,864,918.74	\$530.59
January 2011	58	79,128.832	20	34.5%	23	5,334.780	\$2,216,371.68	\$415.46
February 2011	17	7,385.028	10	58.8%	11	844.000	\$604,518.90	\$716.25
March 2011	159	232,779.075	35	22.0%	32	15,882.487	\$11,572,567.17	\$728.64

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

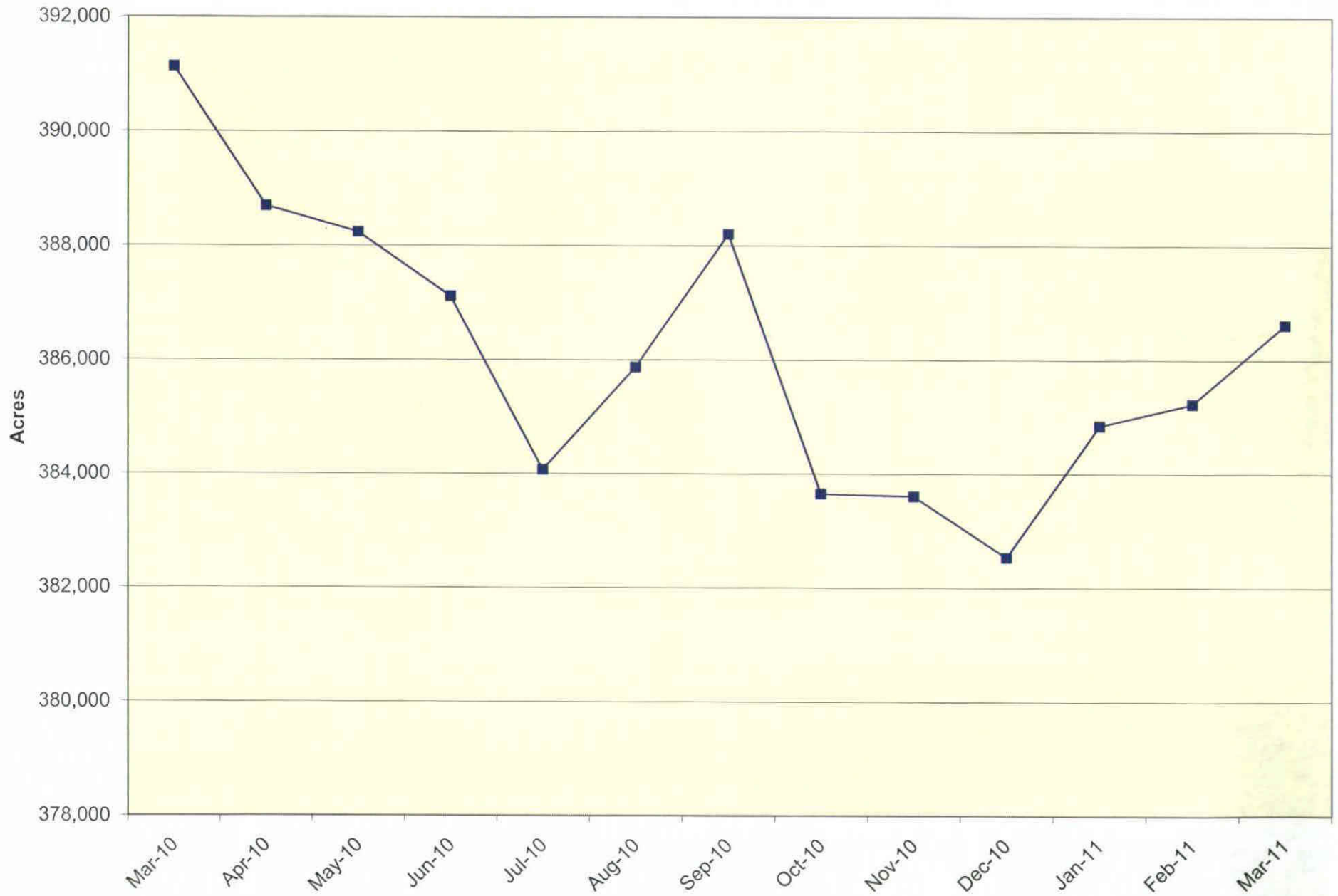
### State Acreage Under Lease



**State Acreage Under Lease**

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

### Productive Acres



## Productive Acres

<u>Month/Year</u>	<u>Acres</u>
March 2010	391,132
April 2010	388,695
May 2010	388,234
June 2010	387,111
July 2010	384,067
August 2010	385,867
September 2010	388,202
October 2010	383,647
November 2010	383,605
December 2010	382,530
January 2011	384,839
February 2011	385,221
March 2011	386,613