

MINUTES

STATE MINERAL AND ENERGY BOARD

REGULAR MEETING AND LEASE SALE

APRIL 11, 2012

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on Wednesday, April 11, 2012, beginning at 11:00 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, 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 14, 2012 Minutes. A motion was made by Mr. Arnold to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Smith 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. Smith, seconded by Ms. Smith, 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

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

At this time, upon motion of Mr. Sanders, seconded by Mr. Arnold, and unanimously adopted by the Board, the Board recessed at 11:03 a.m. in order to continue with the committee meetings.

At 11:48 p.m., upon motion of Mr. Smith, seconded by Ms. Smith, and unanimously adopted by the Board, the Board reconvened its meeting.

The Chairman then stated that the next order of business would be the adoption of the remaining Committee recommendations. Upon motion of Ms. Smith, seconded by Mr. Smith, 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.)

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 11:49 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. Sanders, seconded by Mr. Arnold, 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 11:56 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. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 42575, said portion being 412.670 acres more particularly described in said bid and outlined on accompanying plat, to Antrim Exploration, L.L.C.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 42576, said portion being 121.080 acres more particularly described in said bid and outlined on accompanying plat, to Success Energy LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on another portion of Tract 42576, said portion being 889.910 acres more particularly described in said bid and outlined on accompanying plat, to Antrim Exploration, L.L.C.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 42578, said portion being 211.120 acres more particularly described in said bid and outlined on accompanying plat, to Success Energy LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 42580, said portion being 35.0 acres more particularly described in said bid and outlined on accompanying plat, to K-Exploration Co.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 42581, said portion being 104.0 acres more particularly described in said bid and outlined on accompanying plat, to K-Exploration Co.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42584 to Louisiana Energy Acquisition & Development, LLC, with a cash payment of \$104,208.00 and a 21.00000% royalty.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42585 to Louisiana Energy Acquisition & Development, LLC, with a cash payment of \$116,733.00 and a 21.00000% royalty.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42586 to Louisiana Energy Acquisition & Development, LLC, with a cash payment of \$7,014.00 and a 21.00000% royalty.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42587 to Louisiana Energy Acquisition & Development, LLC, with a cash payment of \$124,248.00 and a 21.00000% royalty.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42590 to Mustang Exploration, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42591 to Theophilus Oil, Gas & Land Services, LLC.

This concluded the awarding of the leases.

The following announcements were then made:

The Chairman recognized Representative Jeff Arnold as being in attendance.

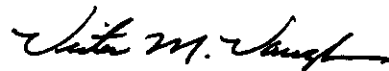
Ms. Talley stated that "the results of today's Lease Sale in total bonuses are \$834,086.54 bringing the fiscal year-to-date total to just under \$24 million.

Also, the annual oil and gas conference hosted by the department will be held at The Roosevelt Hotel in New Orleans again and will be August 15th – 17th."

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.)**

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Arnold, seconded by Ms. Smith, the meeting was adjourned at 12:00 p.m.

Respectfully submitted,



Victor M. Vaughn
Executive Officer
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 11, 2012 MINUTES
BY REFERENCE**

A public meeting for the purpose of opening sealed bids was held on Wednesday, April 11, 2012, 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 11, 2012

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. 42575 through 42591, 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 two (2) 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. Salt Domes, Partnership (2 separate letters), dated March 16, 2012, involving Tract Nos. 42586 & 42588.

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 Mr. Emile Fontenot.

OFFSHORE TRACTS

Tract 42575
(Portion – 412.670 acres)

| | | |
|--------------------------|---|-----------------------------|
| Bidder | : | Antrim Exploration, L.L.C. |
| Primary Term | : | Five (5) years |
| Cash Payment | : | \$92,850.75 |
| Annual Rental | : | \$46,426.00 |
| Royalties | : | 22.00000% on oil and gas |
| | : | 22.00000% on other minerals |
| Additional Consideration | : | None |

Tract 42576
(Portion – 121.080 acres)

| | | |
|--------------------------|---|-----------------------------|
| Bidder | : | Success Energy LLC |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$27,286.59 |
| Annual Rental | : | \$13,644.00 |
| Royalties | : | 22.00000% on oil and gas |
| | : | 22.00000% on other minerals |
| Additional Consideration | : | None |

Tract 42576
(Portion – 889.910 acres)

| | | |
|--------------------------|---|-----------------------------|
| Bidder | : | Antrim Exploration, L.L.C. |
| Primary Term | : | Five (5) years |
| Cash Payment | : | \$200,229.75 |
| Annual Rental | : | \$100,115.00 |
| Royalties | : | 22.00000% on oil and gas |
| | : | 22.00000% on other minerals |
| Additional Consideration | : | None |

Tract 42577

No Bids

Tract 42578
(Portion – 211.120 acres)

| | | |
|--------------------------|---|-----------------------------|
| Bidder | : | Success Energy LLC |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$110,979.45 |
| Annual Rental | : | \$55,490.00 |
| Royalties | : | 22.00000% on oil and gas |
| | : | 22.00000% on other minerals |
| Additional Consideration | : | None |

INLAND TRACTS

Tract 42579

No Bids

Tract 42580
(Portion – 35.0 acres)

| | | |
|--------------------------|---|-----------------------|
| Bidder | : | K-Exploration Co. |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$9,205.00 |
| Annual Rental | : | \$4,602.50 |
| Royalties | : | 24% on oil and gas |
| | : | 24% on other minerals |
| Additional Consideration | : | None |

Tract 42581
(Portion – 104.0 acres)

| | | |
|--------------------------|---|-----------------------|
| Bidder | : | K-Exploration Co. |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$27,352.00 |
| Annual Rental | : | \$13,676.00 |
| Royalties | : | 24% on oil and gas |
| | : | 24% on other minerals |
| Additional Consideration | : | None |

Tract 42582

No Bids

Tract 42583

No Bids

Tract 42584

| | | |
|--------------------------|---|---|
| Bidder | : | Louisiana Energy Acquisition & Development, LLC |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$104,208.00 |
| Annual Rental | : | \$52,104.00 |
| Royalties | : | 21.00000% on oil and gas |
| | : | 21.00000% on other minerals |
| Additional Consideration | : | None |

Tract 42584

| | | |
|--------------------------|---|---|
| Bidder | : | Louisiana Energy Acquisition & Development, LLC |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$78,208.00 |
| Annual Rental | : | \$39,104.00 |
| Royalties | : | 22.50000% on oil and gas |
| | : | 22.50000% on other minerals |
| Additional Consideration | : | None |

Tract 42585

| | | |
|--------------------------|---|---|
| Bidder | : | Louisiana Energy Acquisition & Development, LLC |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$116,733.00 |
| Annual Rental | : | \$58,367.00 |
| Royalties | : | 21.00000% on oil and gas |
| | : | 21.00000% on other minerals |
| Additional Consideration | : | None |

Tract 42585

| | | |
|--------------------------|---|---|
| Bidder | : | Louisiana Energy Acquisition & Development, LLC |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$87,608.00 |
| Annual Rental | : | \$43,804.00 |
| Royalties | : | 22.50000% on oil and gas |
| | : | 22.50000% on other minerals |
| Additional Consideration | : | None |

Tract 42586

| | | |
|--------------------------|---|---|
| Bidder | : | Louisiana Energy Acquisition & Development, LLC |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$7,014.00 |
| Annual Rental | : | \$3,507.00 |
| Royalties | : | 21.00000% on oil and gas |
| | : | 21.00000% on other minerals |
| Additional Consideration | : | None |

Tract 42586

| | | |
|--------------------------|---|---|
| Bidder | : | Louisiana Energy Acquisition & Development, LLC |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$5,264.00 |
| Annual Rental | : | \$2,632.00 |
| Royalties | : | 22.50000% on oil and gas |
| | : | 22.50000% on other minerals |
| Additional Consideration | : | None |

Tract 42587

| | | |
|--------------------------|---|---|
| Bidder | : | Louisiana Energy Acquisition & Development, LLC |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$124,248.00 |
| Annual Rental | : | \$62,124.00 |
| Royalties | : | 21.00000% on oil and gas |
| | : | 21.00000% on other minerals |
| Additional Consideration | : | None |

Tract 42587

| | | |
|--------------------------|---|---|
| Bidder | : | Louisiana Energy Acquisition & Development, LLC |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$93,248.00 |
| Annual Rental | : | \$46,624.00 |
| Royalties | : | 22.50000% on oil and gas |
| | : | 22.50000% on other minerals |
| Additional Consideration | : | None |

Tract 42588

No Bids

Tract 42589

No Bids

TAX ADJUDICATED LANDS TRACTS

Tract 42590

| | | |
|--------------------------|---|--------------------------|
| Bidder | : | Mustang Exploration, LLC |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$10,480.00 |
| Annual Rental | : | \$5,240.00 |
| Royalties | : | 22.5% on oil and gas |
| | : | 22.5% on other minerals |
| Additional Consideration | : | None |

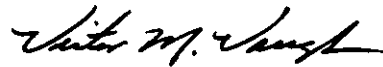
Tract 42591

| | | |
|--------------------------|---|--|
| Bidder | : | Theophilus Oil, Gas & Land Services, LLC |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$3,500.00 |
| Annual Rental | : | \$1,750.00 |
| Royalties | : | 23% on oil and gas |
| | : | 23% on other minerals |
| Additional Consideration | : | None |

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 8:50 a.m.

Respectfully submitted,



Victor M. Vaughn
Executive Officer
State Mineral and Energy Board

Salt Domes, Partnership

Phone (337) 369-3649
31 Oak Place
New Iberia, Louisiana 70563

Phone (985) 395-9576
107 McGee Drive
P.O. Box 7
Patterson, Louisiana 70392

March 16, 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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

RECEIVED
OFFICE OF
MINERAL RESOURCES
STATE MINERAL BOARD
2012 MAR 21 PM 1:13

RE: Proposed State Lease Sale on Tract 42586
St. Martin Parish, Louisiana

Gentlemen:

We have received notice of a proposed mineral lease sale for April 11, 2012, 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".

Salt Domes Partnership is a private landowner with lands in Section 15, T10S-R9E, St. Martin Parish, included within the proposed Tract 42586. 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 Salt Domes Partnership located within proposed Tract 42586. Additionally, portions of Salt Domes Partnership lands located within Tract 42586 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 42586 purports to state a land ownership claim by the State of Louisiana to our fee lands in Section 15, T10S-R9E and/or any accretion or reliction attached thereto, Salt Domes Partnership 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,

SALT DOMES PARTNERSHIP



Rudy C. Sparks
Manager

RCS/dh

Cc: Henry Dauterive

Salt Domes, Partnership

Phone (337) 369-3649
31 Oak Place
New Iberia, Louisiana 70563

Phone (985) 395-9576
107 McGee Drive
P.O. Box 7
Patterson, Louisiana 70392

March 16, 2012

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 42588
St. Martin Parish, Louisiana

2012 MAR 21 PM 1:13
RECEIVED
OFFICE OF
MINERAL RESOURCES
STATE MINERAL BOARD

Gentlemen:

We have received notice of a proposed mineral lease sale for April 11, 2012, 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".

Salt Domes Partnership is a private landowner with lands in Sections 13 & 24, T10S-R9E, St. Martin Parish, included within the proposed Tract 42588. 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 Salt Domes Partnership located within proposed Tract 42588. Additionally, portions of Salt Domes Partnership lands located within Tract 42588 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 42588 purports to state a land ownership claim by the State of Louisiana to our fee lands in Sections 13 & 24, T10S-R9E and/or any accretion or reliction attached thereto, Salt Domes Partnership 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,

SALT DOMES PARTNERSHIP



Rudy C. Sparks
Manager

RCS/dh

Cc: Henry Dauterive



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 11, 2012 at 9:37 a.m. with the following members of the board in attendance: Mr. Thomas L. Arnold, Jr., Mr. Emile B. Cordaro, Mr. John C. "Juba" Diez, Mr. Robert "Michael" Morton, Mr. Darryl D. Smith, Mr. W. Paul Segura, Jr., Mr. Thomas W. Sanders, Mr. Robert D. Harper, sitting in for DNR Secretary Scott A. Angelle 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 1885 active State Leases covering nearly 845,000 acres. The Geological and Engineering Division has reviewed approximately 175 leases covering 104,000 acres.

II. Committee Review

1. 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 to accept their report and that Cox Operating L.L.C. be granted until October 10, 2012 to provide an update of well activities including new drills, recompletions and any workovers.

2. A staff report on **State Leases 797 and 799**, Grand Isle, Blocks 18 and 16 Fields, Jefferson, Lafourche and Plaquemines Parishes. Energy XXI GOM, LLC is the lessee.

The recommendation was that Energy XXI be granted until October 10, 2012 to report on remedial efforts to the high pipeline pressure problem and any other lease activity.

3. A staff report on **State Leases 1450, 1451 and 1480**, Lake Raccourci Field, Jefferson and Lafourche Parishes. Hilcorp Energy I, L.P. has a farm-out from ExxonMobil Corporation.

The recommendation was to accept their report and that ExxonMobil and/or Hilcorp Energy I, L.P. be granted until January 9, 2013 to report on possible new prospects resulting from the geophysical study.

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

The recommendation was to accept their report and to grant Hilcorp Energy I, L.P. until October 10, 2012 to report on activities affecting this lease.

5. A staff report on **State Lease 724**, Four Isle Dome Field. Terrebonne Parish. Hilcorp Energy I, L.P. is the operator.

The recommendation was to accept their report and to grant Hilcorp Energy I, L.P. until October 10, 2012 to report on activities affecting this lease.

6. A staff report on **State Leases 3762 and 3763**, Vermilion Block 16 Field. Vermilion Parish. Harvest Oil & Gas, LLC is the operator.

On April 3, 2012, the staff met with representatives of Harvest Oil & Gas, LLC (Harvest) concerning the drilling of a well with a mandatory spud date of April 12, 2012. Due to concerns involving rig availability, the recommendation was to grant Harvest an extension until May 6, 2012 to spud.

III. Force Majeure

Staff requested, and Stone Energy appeared before the Board to explain why production remains off production for more than 1 year and what is being done to alleviate the problem. All leases and the operating agreement have language stating that the force majeure recognition may only be extended by the Board. This action is consistent with past force majeure events. A 90 day extension to Force Majeure recognition was granted to Stone by the Board.

Staff requests that the Board's previous force majeure recognition for Harvest Operating LLC affecting SL 12002 be extended until the July 11, 2012 Board meeting to re-establish production or complete pipeline repairs and facility connections.

Updated 3/29/2012

| Company Name | Lease Numbers |
|--|---------------------|
| Leases Off Production Due to Non-storm Related Force Majeure Events | |
| Bay Gas LLC | 19930 |
| Chevron | 19534, 19536, 19547 |
| The Harvest Group LLC | A0311 |
| Harvest Operating LLC | 12002 |
| Stone Energy | 15074, 17309, A0285 |

Lease Review Committee

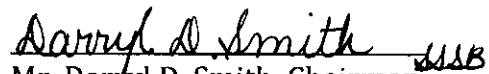
April 11, 2012

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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. Arnold, seconded by Mr. Sanders, the Committee moved to adjourn its April 11, 2012 meeting at 10:10 a.m.

Respectfully submitted,

Handwritten signature of Darryl D. Smith in cursive, with the initials "DSB" written at the end of the signature.

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

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

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 Louisiana State Mineral and Energy Board (the "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, Stone Energy made a request to recognize that a force majeure condition exists due to a pipeline leak causing Tennessee Gas to shut-in the gas sales line on January 3, 2011 which services State Leases 15074, 17309, and Operating Agreement A0285, Terrebonne Parish, Louisiana;

WHEREAS, at the January 11, 2012 meeting, the Board extended recognition of force majeure until the meeting on April 11, 2012;

WHEREAS, Stone notified the Board that the conditions of the force majeure had not abated and requested three additional months to restore production to the State Leases and Operating Agreement mentioned herein;

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 extend recognition of the force majeure event until the July 11, 2012 meeting, at which time Stone will re-establish a gas market or amend State Lease 17309 and Operating Agreement A0285 to provide for shut-in payments for oil wells and tender the first shut-in payment on or before July 11, 2012. The Board will reserve its rights to review and reconsider whether additional action is necessary concerning the situation at the July 11, 2012 meeting. Furthermore, the Board requires that Stone continue 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 Louisiana State Mineral and Energy Board in the City of Baton Rouge Louisiana on the 11th day of April, 2012, 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

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 Louisiana State Mineral and Energy Board (the "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 Harvest Operating LLC (herein Harvest) to recognize that a force majeure condition existed for State Lease 12002 in Plaquemines Parish, Louisiana due to loss of use of production facilities beginning November 1, 2011;

WHEREAS, at the January 11, 2012 meeting, the Board recognized a force majeure condition existed until the meeting on April 11, 2012;

WHEREAS, Harvest notified the Board that the conditions of the force majeure had not abated and requested three additional months to restore production to the State Lease mentioned herein;

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 extend recognition of the force majeure event until the July 11, 2012 meeting, or until Harvest re-establishes oil and gas production whichever condition is met at the earliest date. The Board will reserve its rights to review and reconsider whether additional action is necessary concerning the situation at the July 11, 2012 meeting. Furthermore, the Board requires that Harvest continue 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 Louisiana State Mineral and Energy Board in the City of Baton Rouge Louisiana on the 11th day of April, 2012, 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



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: April 12, 2012 7:05 AM

District Code 1 New Orleans- East
Get Review Date April 11, 2012

Table with 7 columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Contains 20 rows of lease data including fields like POTASH, BRETON SOUND BLOCK, and SOUTHEAST PASS.



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

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District Code 1 New Orleans- East

Get Review Date April 11, 2012

| Lease Num | DA | Field | Latest lease Activity | Productive Acreage | Present Acreage | Flagged for Review In |
|-----------|----|---|---|--------------------|-----------------|---|
| 04409 | | BRETON SOUND BLOCK 20 , BRETON SOUND BLOCK 36 , BRETON SOUND BLOCK 37 | 1267.76 07/22/2005 | 449 | 449 | APR. AR 3/23/12 JMB: HBP 3/15/12 OMR TO TPIC: UPDATE RPT BY 3/13/13 < RCD 3/2012 TPIC: UPDATE RPT |
| 04458 | | BRETON SOUND BLOCK 31 , BRETON SOUND BLOCK 33 | BIG HUM I RA SUA; SL 4458 05/01/1985 | 40 | 439.63 | APR. AR 3/23/12 JMB: HBP |
| 04574 | | BRETON SOUND BLOCK 20 | VUA;SL 15958 11/08/2000 | 1300 | 2057.49 | APR. AR 3/23/12 JMB: HBP 3/15/12 OMR TO TPIC UPDATE RPT BY 3/13/13 <RCD 3/2012 TPIC: UPDATE RPT |
| 04865 | | BRETON SOUND BLOCK 31 | | 160 | 367 | APR. AR 3/23/12 JMB: HBP |
| 05049 | | BRETON SOUND BLOCK 31 | | 40 | 161.844 | APR. AR 3/23/12 JMB: HBP |
| 11189 | | MAIN PASS BLOCK 47 | VUA;SL 11189 | 402.654 | 402.654 | APR. AR |
| 14216 | | BRETON SOUND BLOCK 33 | 228013-VU2;SL 14216-001 04/19/2003 | 437.865 | 437.865 | APR. AR 3/23/12 JMB: HBP |
| 14217 | | BRETON SOUND BLOCK 33 | 602.678 03/08/2010 | 414.821 | 414.821 | APR. AR 3/23/12 JMB: HBP |
| 14560 | | BRETON SOUND BLOCK 33 | 221.863 12/03/2001 | 283.631 | 283.631 | APR. AR 3/23/12 JMB: HBP |
| 15958 | | BRETON SOUND BLOCK 20 | 267.95 02/03/2003 | 186.6 | 186.6 | APR. 3/26/12 REL RQD 3/23/12 RS JMB: APP EXP LAST PRD 8/11, LAST ROY 9/11. |
| 16298 | | BRETON SOUND BLOCK 33 | 350.71 12/03/2001 | 47.76 | 47.76 | APR. AR 3/23/12 JMB: HBP |
| 16392 | | MAIN PASS BLOCK 47 | VUC; 02/13/2002 | 293.785 | 293.785 | APR. AR 3/23/12 JMB: HBP |
| 16393 | | MAIN PASS BLOCK 47 | VUC; 02/13/2002 | 174.472 | 174.472 | APR. AR 3/23/12 JMB: HBP |
| 16442 | | BRETON SOUND BLOCK 18 | 64.39 09/16/2002 | 142.93 | 142.93 | APR. AR 3/23/12 JMB: HBP |
| 16443 | | BRETON SOUND BLOCK 18 | 136.34 05/21/2003 | 290.66 | 290.66 | APR. AR 3/23/12 JMB: HBP |
| 16543 | | BRETON SOUND BLOCK 18 | 72.63 09/16/2002 | 20.57 | 20.57 | APR. AR 3/23/12 JMB: HBP |
| 16570 | | MAIN PASS BLOCK 47 | 277.27 10/24/2003 | 76.9 | 76.9 | APR. AR 3/23/12 JMB: HBP |
| 16594 | | BRETON SOUND BLOCK 18 | 480.07 11/18/2002 | 18.66 | 18.66 | APR. AR 3/23/12 JMB: HBP |
| 16610 | | BRETON SOUND BLOCK 18 | 202.35 06/02/2003 | 336.56 | 336.56 | APR. AR 3/23/12 JMB: HBP |
| 16666 | | MAIN PASS BLOCK 47 | 205.79 05/01/2003 | 12.29 | 12.29 | APR. AR |
| 16795 | | BRETON SOUND BLOCK | 193.795 | 188.205 | 188.205 | APR. AR 3/23/12 JMB: HBP |



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|-----------|----|-----------------------|-----------------------|--------------------|-----------------|---|
| | | 33 | 09/23/2002 | | | |
| 16823 | | BRETON SOUND BLOCK 18 | | 211.89 | 211.89 | APR. 10/6/11 JMB SHAKY PRD, RECK 6 MOS APR AR |
| 17002 | | HALF MOON LAKE | 145.22 06/14/2004 | 14.78 | 14.78 | APR. AR |
| 17767 | | BRETON SOUND BLOCK 33 | 92 03/27/2008 | 197.88 | 197.88 | APR. AR 3/23/12 JMB: HBP |
| 17861 | | BRETON SOUND BLOCK 53 | 236.5 10/14/2008 | 512.42 | 512.42 | APR AR |
| 17965 | | BRETON SOUND BLOCK 33 | 246.6 04/11/2007 | 158.13 | 158.13 | APR AR 3/23/12 JMB: HBP |
| 18011 | | BRETON SOUND BLOCK 48 | | 61.01 | 61.01 | APR. 2ND ILR TO 3/11/12 OCT. AR |
| 19277 | | STUARDS BLUFF, EAST | 142.718 06/04/2010 | 162.282 | 162.282 | APR. AR 3/16/12 REL RQD 3/15/12 RS JMB APP EXP REQ REL |
| 19563 | | STUARDS BLUFF, EAST | 72.955 06/04/2010 | 59.335 | 59.335 | APR. AR 3/13/12 REL RQD 3/13/12 APP EXP REQ REL PER MB:::3/12/12 RS TO MIKE BRADLEY |
| 19706 | | | | 0 | 108 | APR. 3/12/12 PD ILR 12/11:::CK WELL 9/21/11 JMB - DRILLED A WELL-WOC CK SN 243180 6/18/11 RR WOCR< 5/20/11SPUD PT 6/11/11 |
| 20101 | | MAIN PASS BLOCK 26 | | 40 | 40 | APR AR |
| 20876 | | | | 0 | 20 | APR. 3/29/12 JPT: UNDRLD UNIT (DEVON ENGY PRD CO) UNDER ORDER 1545 TUSCALOOSA MARINE SHALE, RA SUA ISSUED 2/28/12 INCLUDES LEASE |



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

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District Code 1W New Orleans- West
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Table with 7 columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flegged for Review In. Contains multiple rows of lease data including BASTIAN BAY, BAYOU DES ALLEMANDS, KINGSTON, SOUTH PASS, GRAND ISLE BLOCK 18, GRAND ISLE BLOCK 16, BAY MARCHAND BLOCK 2, LAKE RACCOURCI, and LEEVILLE.



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Staff Reviews

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| Lease Num | DA | Field | Latest lease Activity | Productive Acreage | Present Acreage | Flagged for Review In |
|-----------|----|--------------------------|---|--------------------|-----------------|---|
| | | | | | | :: RNTL PD TO 3/14/12 7/13/11 SMEB EXTENDED PREVIOUS PT BY 6 MOS= PT 3/14/12 FOR FULL RNTL. 9/8/10 LEASE AMENDMENT EXT PT BY 1 YR.=PT 9/14/11 PT 9/14/10 |
| 18804 | | PROFIT ISLAND | 495 12/08/2008 | 141.88 | 141.88 | APR. AR 3/22/12 PROD THRU 12/11 SN 233271 LUW 606808 |
| 18861 | | TIMBALIER BAY ONSHORE | VUA;SL 18878 12/13/2006 | 153.25 | 153.25 | APR. AR 3/22/12 PROD THRU 01/12 SN 241721 LUW 306005 |
| 18878 | | TIMBALIER BAY ONSHORE | 241721-VUA;SL 18878- 003-D 06/09/2010 | 646.75 | 646.75 | APR. AR 306005 PROD THRU 12/11 |
| 19385 | | | | 0 | 215 | APR. 4TH ILR TO 7/14/12 (238117 SIWOP) AUG. PT 5/9/10 |
| 19645 | | BASTIAN BAY | N RL SUA;LL&E C 08/26/2008 339-N-24 | 6.506 | 43 | APR. FINAL DDPMT TO STEVE APPROVED DD 4/9/13 PT 4/09/11 |
| 20239 | | | | 0 | 71 | APR. 2/14/11 REL RQD PT 1/13/13 |
| 20519 | | | | 0 | 121.45 | APR PT 1/12/14 |
| 20521 | | | | 0 | 140 | APR. PT 1/12/14 |



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

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District Code 2 Lafayette
Get Review Date April 11, 2012

Table with 7 columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Contains multiple rows of lease data including Lake Pelto, Bay St Elaine, Horseshoe, Four Isle Dome, Bateman Lake, Eugene Island Block, Lake Sand, Lake Arthur, and Vermilion Block.



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

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District Code 2 Lafayette

Get Review Date April 11, 2012

| Lease Num | DA | Field | Latest lease Activity | Productive Acreage | Present Acreage | Flagged for Review In |
|-----------|----|-------------------------------|--|--------------------|-----------------|--|
| | | | | | | 5/6/12) RESTORE PRD IN PAYING QUANTITIES OR SPUD 1 PERM WELL OR REL W/IN 30 DAYS OF 90 DAYS (5/12/12). IF PRD IN PAYING QUAN W/IN 90 DAYS, W/IN 180 DAYS (7/11/12) SPUD 1 PERM WELL OR SUBMIT 520 AC PR. ETC |
| 04236 | | RABBIT ISLAND | SL 340 RABBIT ISLAND 05/01/1983 | 916.73 | 916.73 | APR. AR 3/20/12 RWB & JCJ 121842 604063 100% PRD 12/11 ROY 12/11 |
| 05492 | | RABBIT ISLAND | SL 340 RABBIT ISLAND 05/01/1983 | 23.43 | 23.43 | APR. AR 3/20/12 RWB & JCJ 121842 604063 100% PRD 12/11 ROY 12/11 |
| 10830 | | SHIP SHOAL BLOCK 66 | 59.985 11/06/2009 | 67.13 | 67.13 | APR. AR 3/20/12 RWB & JCJ 121842 050605 100% PRD 1/12 ROY 1/12 |
| 13148 | | LELEUX | 6.758 05/10/1990 | 10.062 | 10.062 | APR. AR 3/20/12 RWB & JCJ 209195 610500 100% PRD 12/11 ROY 1/12 |
| 13346 | | KENT BAYOU | 62.637 01/10/1994 | 43.363 | 43.363 | APR. AR RECK 7/12 < 3/20/12 RWB & JCJ 209807 610918 10/11 ROY 10/11 |
| 15074 | | SOUTH PELTO BLOCK 1 | | 160 | 333.03 | APR. LRC/SMEB FM EXTENSION EFF 1/12/12 TO 4/11/12 |
| 16704 | | PERRY POINT , RAYNE, SOUTH | BOL MEX B RA SUA;P HULIN CO 04/26/2011 448-O-5 11-204 | .118 | 118 | APR. AR 3/20/12 RWB & JCJ 100% PRD 224381 609512 ROY 12/11, PRD 11/11 2/29/12 HB: 608643 REVISION W 2 NEW LEASES |
| 17595 | | SHIP SHOAL BLOCK 66 | SL 10830 03/15/2005 | 68.87 | 68.87 | APR. AR 3/20/12 RWB & JCJ 100% PRD 229853 149722 ROY 12/11, PRD 12/11 LRC/SMEB FM EXTENSION EFF 1/11/12 TO 4/11/12 |
| 17988 | | PATTERSON | 3.13 03/09/2009 | 27.68 | 27.68 | APR. AR 3/20/12 RWB & JCJ 100% PRD 229973 049790 ROY 1/12, PRD 12/11 |
| 17989 | | PATTERSON | 7.766 03/09/2009 | 40.284 | 40.284 | APR. AR 3/20/12 RWB & JCJ 100% PRD 229973 049790 ROY 1/12, PRD 12/11 |
| 18103 | | MYETTE POINT | SL 18103 04/09/2008 | 801.6 | 801.6 | APR. AR 3/20/12 RWB & JCJ 100% PRD 230730 306056 ROY 12/11, PRD 11/11 |
| 18179 | | FRESH WATER BAYOU, SOUTH | 131.396 01/29/2010 | 120.454 | 120.454 | APR. AR 3/20/12 RWB & JCJ 100% PRD 234847 615739 ROY 12/11, PRD 12/11 |
| 18180 | | FRESH WATER BAYOU, SOUTH | 15.07 01/29/2010 | 23.86 | 23.86 | APR. AR 3/20/12 RWB & JCJ 100% PRD 234847 615739 ROY 12/11, PRD 12/11 |
| 18197 | | FRESH WATER BAYOU, SOUTH | 34.51 01/29/2010 | 127.69 | 127.69 | APR. AR 3/20/12 RWB & JCJ 100% PRD 234847 615739 ROY 12/11, PRD 12/11 |
| 18198 | | FRESH WATER BAYOU, | 26.381 | 280.619 | 280.619 | APR. AR 3/20/12 RWB & JCJ |



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|-----------|----|--------------------------|------------------------|--------------------|-----------------|---|
| | | SOUTH | 01/29/2010 | | | 100% PRD 234847 615739 ROY 12/11, PRD 12/11 |
| 18199 | | FRESH WATER BAYOU, SOUTH | 3.089 01/29/2010 | .911 | .911 | APR. AR 3/20/12 RWB & JCJ 100% PRD 234847 615739 ROY 12/11, PRD 12/11 |
| 18634 | | MYETTE POINT | SL 18103 04/09/2008 | 390.92 | 390.92 | APR. AR 3/20/12 RWB & JCJ 100% PRD 230730 306056 ROY 12/11, PRD 11/11 ATTAKAPAS WMA |
| 18871 | | BAYOU JEAN LA CROIX | 2.751 01/29/2007 | 3.249 | 3.249 | APR. AR 3/20/12 RWB & JCJ 100% PRD 221087 612753 ROY 12/11, PRD 12/11 JPT:COMPROMISED AREA |
| 19967 | | | | 0 | 335.62 | APR. 2/22/12 RENTAL PAID 1/14/12 PT 1/14/12 12/10/11 OFFSHORE |
| 19968 | | | | 0 | 51.57 | APR. 2/22/12 RENTAL PAID 1/14/12 PT 1/14/12 12/10/11 OFFSHORE |
| 19969 | | | | 0 | 68.61 | APR. 2/22/12 RENTAL PAID 1/14/12 PT 1/14/12 12/10/11 OFFSHORE |
| 19970 | | | | 0 | 94.29 | APR. 2/22/12 RENTAL PAID 1/14/12 PT 1/14/14 12/10/13 |
| 19971 | | | | 0 | 66.13 | APR. 2/22/12 RENTAL PAID 1/14/12 PT 1/14/12 12/10/11 OFFSHORE |
| 19995 | | | | 0 | 242.28 | APR. 2/23/12 RENTAL PAID 12/22/11 PT 1/14/14 12/10/13 OPTION |
| 19998 | | | | 0 | 477.64 | APR. 12/23/12 RENTAL PAID 1/6/12 PT 1/14/14 |
| 20227 | | | | 0 | 803.15 | APR. 2/23/12 RENTAL PAID PT 1/13/15 |
| 20228 | | | | 0 | 796.34 | APR. 2/23/12 RENTAL PAID PT 1/13/15 |
| 20229 | | | | 0 | 588.04 | APR. 2/23/12 RENTAL PAID PT 1/13/15 |
| 20230 | | | | 0 | 989.13 | APR. 2/23/12 RENTAL PAID PT 1/13/15 |
| 20231 | | | | 0 | 63.46 | APR. 2/23/12 RENTAL PAID PT 1/13/15 |
| 20232 | | | | 0 | 179.65 | APR. 2/23/12 RENTAL PAID PT 1/13/15 |
| 20233 | | | | 0 | 785.24 | APR. 2/23/12 RENTAL PAID PT 1/13/15 |
| 20515 | | | | 0 | 27.57 | APR. 2/23/12 RENTAL PAID PT 1/12/16 EUGENE ISLAND 19 & 406 |
| 20523 | | | | 0 | 886.08 | APR. 2/23/12 RENTAL PAID PT 1/12/14 ATCHAFALAYA DELTA WMA |



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|-----------|----|-----------------|----------------------------|--------------------|-----------------|--|
| 20524 | | | | 0 | 137.37 | APR. 2/23/12 RENTAL PAID PT 1/12/14 ATCHAFALAYA DELTA WMA |
| 20525 | | | | 0 | 598.72 | APR. 2/23/12 RENTAL PAID PT 1/12/14 ATCHAFALAYA DELTA WMA |
| 20526 | | ATCHAFALAYA BAY | VUA;SL 20035 08/10/2011 | 143.14 | 143.14 | APR. RWB & JCJ 242532 306547 PROD THRU 12/11 PT 1/12/14 ATCHAFALAYA DELTA WMA 1/5/12 REID: 306547 240138 W PLAT 2 WELLS LOC IN VUA |
| 20527 | | ATCHAFALAYA BAY | VUA;SL 20035 08/10/2011 | 254.24 | 254.24 | APR. RWB & JCJ 242532 306547 PROD THRU 12/11 PT 1/12/14 ATCHAFALAYA DELTA WMA 1/5/12 REID: 306547 240138 W PLAT 2 WELLS LOC IN VUA |
| 20531 | | | | 0 | 106.69 | APR. 2/23/12 RENTAL PAID PT 1/12/14 ATCHAFALAYA DELTA WMA |
| 20532 | | | | 0 | 393.54 | APR. 2/23/12 RENTAL PAID PT 1/12/14 ATCHAFALAYA DELTA WMA |
| 20533 | | | | 0 | 186.35 | APR. 2/23/12 RENTAL PAID PT 1/12/14 ATCHAFALAYA DELTA WMA |
| 20534 | | | | 0 | 355.33 | APR. 2/23/12 RENTAL PAID PT 1/12/14 ATCHAFALAYA DELTA WMA |
| 20535 | | | | 0 | 49.2 | APR. 2/23/12 RENTAL PAID PT 1/12/14 ATCHAFALAYA DELTA WMA |



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|-----------|----|--------------------------------------|---|--------------------|-----------------|--|
| | | | 03/06/2009 | | | PRD 12/11, ROYTY 0 = 4/07 ESCROW AGRMT |
| 19398 | | THORN LAKE | HA RA SUAA;WAERSTAD 12-14-12 H 01/19/2010 1145-B-25 10-88 | 11.67 | 11.67 | APR. AR 2/27/12 JCJ: PRD 12/11, ROYTY 11/11 |
| 19542 | | ELM GROVE | HA RA SU88,TALIAFERRO 28 H 08/11/2009 361-L-54 | 163.522 | 234 | APR. 2/27/12 JCJ: PRD 12/11, ROYTY 11/11 SUGGEST AR UPON RCT OF PR, RQD 2/25/11, FUPRRQD 1/12/12 |
| 19760 | | ALABAMA BEND , SWAN LAKE | HA RA SUO;CULPEPPER 17 H 04/28/2011 691-C-8 09-483 | 48 | 50 | APR. SUGGEST AR UPON RCT OF PR, RQD 4/10/12 4/9/12 RS JPT 48 AC HBP, 2 AC APP EXP 10/20/11 JPT IS WORKING ON THIS PROBLEM. DD & PT 8/13/11 WLF LEASE |
| 19767 | | THORN LAKE | HA RA SUS;LDW&F 15-14-12 H 01/19/2010 1145-B-25 10-88 | 14 | 14 | APR. AR 3/29/12 JPT: ENTIRE LEASE COVERED BY 3 UNITS. THEREFORE, LEASE SHOULD BE 100% HBP. 3 UNITS HA RA SUG, BLOUNTFARMS 2-14-12H; HA RA SUS; LDW&F 15-14-12 H; HA RA SUZ; CLINTON 11-14-12H. |
| 19787 | | ALABAMA BEND | HA RA SUV;BURKETT 5-15-10 H 03/16/2010 1490-C-9 10-274 | 29.32 | 29.32 | APR. 3/21/12 JPT 617277 PRELIM 117 3/15/12 PLAT RQD HA RA SUV 242845, 617277 8/22/11 RS SAM: LEASE HB HA RA SUV ACTIVITY PT 8/13/11 LOGGY BAYOU WMA |
| 19795 | | WOODARDVILLE | HA RA SUAA;R O WILSON TRUST 9 12/02/2008 990-D-4 08-1839 | 51.6 | 51 6 | APR. AR HA RA SUAA (LUW 615912) SN 239959 PRD TO 1/12 VACANT STATE LANDS |
| 19999 | | GAHAGAN , RED RIVER-BULL BAYOU | HA RA SUBB;ROBINSON ETAL 32H 02/15/2011 909-H-16 11-79 | 101 | 101 | APR. SUGGEST AR 3/19/12 JPT 616553 PRELIM 115 2/27/12 JCJ 616553 PRD TO 12/11, ROY 11/11 PT 1/14/12 |
| 20038 | | BRACKY BRANCH , RED RIVER-BULL BAYOU | HA RB SU59;CASON 5 H 09/10/2009 109-X-63 09-967 | 49 | 49 | APR. 3/14/12 JPT: 617198 PRELIMINARY 114 3/8/12 JPT: LEASE 100% HBP SUGGEST AR PT 4/8/12 1/10/12 SRVY PLAT RQD ENCANA; HA RB SUPP 617198 7/26/11 PRELIM 69 616511 6/9/11 JPT: PRELIM 10 616250 |
| 20114 | | REDOAK LAKE | HA RA SULL;JANELLE GIVENS 38 H 03/09/2010 948-C-8 10-260 | 188 | 359 | APR. 3/19/12 SRVY PLATS RQD HA RA SUC 240306 616667 AND HA RA SULL 241436 616663. |
| 20234 | | LAKE BISTINEAU | HA RA SUN WEYERHSR 15-16-10 H 07/14/2009 287-F-6 09-755 | 24 | 24 | APR. 2/27/12 JCJ: 240380 616199 PRD 12/11 ROYTY 12/11 6/9/11 JPT: 616199 PRELIM 3 EST PROD AC PT 1/13/13 |



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|-----------|----|----------------------|--|--------------------|-----------------|---|
| 20445 | | ELM GROVE | HA RA SU134;GLASSCOCK33-16-11H 03/15/2011 361-L-103 11-146 | 53 | 56 | APR. 3/19/12 2ND REQ (10/26/11) SRVY PLAT KCS C/O PETROHAWK; HA RA SUU SAND; 238481; 615483 |
| 20469 | | CEDAR GROVE | HA RA SUL;SHREVE 2-16-14 H 01/11/2010 967-C-6 09-1202 | 5 | 5 | APR. 3/19/12 SRVY PLAT RQD CHESAPEAKE; HA RA SUL 240635 616592 |
| 20471 | | GREENWOOD-WASKOM | HA RA SU78;LCD&S 23-17-15 H 06/03/2010 270-MM-51 10-586 | 53.723 | 53.723 | APR. 3/19/12 SRVY PLAT RQD CHESAPEAKE; HA RA SU78 SAND; 241858; 616761 |
| 20516 | | RED RIVER-BULL BAYOU | HA RB SU89;NABORS PROP 15 08/13/2010 109-X-119 10-898 | 4.278 | 8 | APR. RNTL PD 2012 PT 1/12/14 |
| 20536 | | | | 0 | 40 | APR. PT 1/12/14 TAX ADJUDICATED |
| 20620 | | ALABAMA BEND | HA RA SUV;BURKETT 5-15-10 H 03/16/2010 1490-C-9 10-274 | 22 | 22 | APR. 3/21/12 JPT 617277 PRELIM 117 |
| 20788 | | ALABAMA BEND | HA RA SUV;BURKETT 5-15-10 H 03/16/2010 1490-C-9 10-274 | 0 | 8.95 | APR. 3/21/12 JPT 617277 PRELIM 117 |



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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 **10:10 a.m.** on Wednesday, ***April 11, 2012*** with the following members of the Board in attendance:

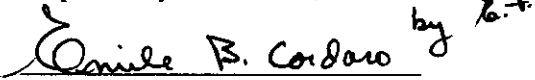
| | | |
|---------------------------|----------------------|---|
| Mr. Thomas L. Arnold, Jr. | Mr. Emile B. Cordaro | Mr. John C. Diez |
| Mr. Robert D. Harper | Mr. Robert M. Morton | Mr. Thomas W. Sanders |
| Mr. W. Paul Segura, Jr. | Mr. Darryl D. Smith | Mr. Chip Kline (sitting in for Garret Graves,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

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the June 13, 2012 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of ***Mr. Sanders***, duly seconded by ***Mr. Diez***, 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. A request to advertise nomination no. 12060112 with 5 year primary term in lieu of 3 year primary terms was also presented.

The Committee was informed of two letters of protest from Salt Domes, Partnership dated March 16, 2012 pertaining to Tract Nos. 42586 and 42588 situated in St. Martin Parish, Louisiana. No action was required.

The Committee, on motion of ***Mr. Arnold***, seconded by ***Mr. Sanders***, voted to adjourn at ***10:12 a.m.***

Respectfully Submitted,


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

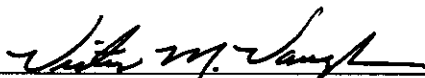
WHEREAS, Mr. Emile Fontenot presented to the State Mineral and Energy Board that 46 tracts had been nominated for the June 13, 2012 Mineral Lease Sale, and to advertise nomination no. 12060112 with a 5 year primary term in lieu of a 3 year primary term, and that same are to be advertised pending staff 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 11th day of April 2012, 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 11, 2012, 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:

Robert D. Harper
Thomas L. Arnold, Jr.
Emile B. Cordaro

John C. "Juba" Diez
Robert "Michael" Morton
Thomas W. Sanders

W. Paul Segura, Jr.
Darryl D. Smith
Chip Kline

Mr. Thomas L. Arnold, Jr. convened the Committee at 10:12 a.m.

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

Staff recommended that no penalty be waived. Representatives from Castex Energy, Inc. addressed the Board to request a penalty waiver of 100%. Upon motion of Mr. Segura, seconded by Mr. Smith, the Committee voted unanimously to approve the 100% penalty waiver in the amount of \$79,054.92.

The second matter considered by the Committee was a recoupment request from XTO Energy, Inc.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Smith, the Committee voted unanimously to approve the recoupment request in the amount of \$87,013.39.

The third matter considered by the Committee was a recoupment request from XTO Energy, Inc.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Sanders, the Committee voted unanimously to approve the recoupment request in the amount of \$65,540.01.


The fourth matter considered by the Committee was to adopt a Resolution requiring all payors remitting royalty payments in excess of \$25,000 annually for the previous calendar year to submit state royalty reports exclusively using the Office of Mineral Resources Online State Royalty Reporting System.

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

The fifth matter considered by the Committee was the election of the April 2012 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. Segura, seconded by Mr. Sanders, the Board voted unanimously to adjourn the Audit Committee at 10:27 a.m.


Thomas L. Arnold, Jr., Chairman
Audit Committee

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

AUDIT COMMITTEE

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

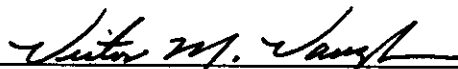
WHEREAS, Castex Energy, Inc. has made a letter application for reduction of penalties assessed in the amount of \$79,054.92 due to late royalty payments in the Rabbit Island Field (7576), State Lease 00340; and

WHEREAS, the Mineral Income Division has verified that the underpayment of royalties was discovered and paid by Castex Energy, Inc. and does recommend that the penalty be waived;

THEREFORE BE IT RESOLVED, that the Board does waive one hundred percent (100%), which amounts to \$79,054.92 of the total penalty assessed to Castex Energy, Inc.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

AUDIT COMMITTEE

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

WHEREAS, XTO Energy, Inc. has made a letter application for an adjustment of \$87,013.39 for the Breton Sound Block 53 Field, State Leases 12806, 15683, 17674, 17675, 17942; and

WHEREAS, this amount was based on XTO Energy, Inc. submitting an overpayment of oil royalties based on incorrect volumes and values for the period of February and October 2011 in the Breton Sound Block 53 Field; and

WHEREAS, the Mineral Income Division has verified that an overpayment in the amount of \$87,013.39 was made and that the applicant is entitled to a credit adjustment; and

WHEREAS, the State Mineral and Energy Board after reviewing the work of the Mineral Income Division, agrees that the applicant is entitled to an adjustment, does recommend that the State allow XTO Energy, Inc. to recoup the \$87,013.39 overpayment.

NOW, BE IT THEREFORE RESOLVED, that the Board does authorize and direct the Mineral Income Director to effectuate the credit adjustment of \$87,013.39 to XTO Energy, Inc. on a one-time or lump sum basis or on such terms deemed necessary by the Director, which are legally permissible, and without prejudice to any other rights of the state.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 11th day of April, 2012, 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.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

AUDIT COMMITTEE

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

WHEREAS, XTO Energy, Inc. has made a letter application for an adjustment of \$65,540.01 for the Lake Raccourci Field, State Leases 1450, 1451, 1451LS, 16563, 16564; and

WHEREAS, this amount was based on XTO Energy, Inc. submitting an overpayment of oil and gas royalties based on incorrect volumes and values for the period of May and December 2011 in the Lake Raccourci Field; and

WHEREAS, the Mineral Income Division has verified that an overpayment in the amount of \$65,540.01 was made and that the applicant is entitled to a credit adjustment; and

WHEREAS, the State Mineral and Energy Board after reviewing the work of the Mineral Income Division, agrees that the applicant is entitled to an adjustment, does recommend that the State allow XTO Energy, Inc. to recoup the \$65,540.01 overpayment.

NOW, BE IT THEREFORE RESOLVED, that the Board does authorize and direct the Mineral Income Director to effectuate the credit adjustment of \$65,540.01 to XTO Energy, Inc. on a one-time or lump sum basis or on such terms deemed necessary by the Director, which are legally permissible, and without prejudice to any other rights of the state.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 11th day of April, 2012, 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.



LOUISIANA STATE MINERAL AND ENERGY BOARD

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 Louisiana State Mineral and Energy Board has, by prior resolutions dated November 21, 1963, June 11, 1969 and April 12, 1972, authorized the Mineral Income Division of the Office of Mineral Resources to prepare and implement revisions to the form entitled "Monthly Report of Minerals Subject to State Royalties" ("Form SR"); and

WHEREAS, it has been determined that Form SR may need further revision at the present time to accommodate technological advancements and system changes and implementation; and

WHEREAS, The Audit Committee recommends and approves further revision of Form SR as necessary; and

WHEREAS, the staff recommends that the Office of Mineral Resources may require all payors remitting royalty payments in excess of \$25,000.00 annually for the previous calendar year to submit Form SR exclusively using the Office of Mineral Resources Online State Royalty Reporting System;

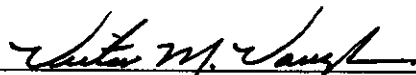
WHEREAS, the staff recommends that the Office of Mineral Resources implement mandatory Online State Royalty Reporting for Form SR submitted in conjunction with a deadline on and thereafter October 25, 2012;

WHEREAS, the staff recommends that failure of a payor to remit Form SR online as set forth by Louisiana State Mineral and Energy Board Resolution be considered incorrect reporting;

THEREFORE, BE IT RESOLVED, that the Office of Mineral Resources is authorized to require all Forms SR for state royalty payments made by a single payor in excess of \$25,000.00 in the previous calendar year be submitted using the Office of Mineral Resources Online State Royalty Reporting System.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



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

LEGAL AND TITLE CONTROVERSY COMMITTEE REPORT

The regular meeting of the Legal and Title Controversy Committee of the State Mineral and Energy Board was held on April 11, 2012, 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. Robert D. Harper |
| Mr. Emile B. Cordaro | Mr. Thomas L. Arnold, Jr. |
| Mr. Darryl David Smith | Mr. W. Paul Segura, Jr. |
| Mr. Robert "Michael" Morton | Mr. John C. "Juba" Diez |
| Mr. Helen Godfrey Smith | Mr. Chip Kline for Garret Graves (Governor's Designee) |

The Legal and Title Controversy Committee was called to order by Mr. Sanders at 10:27 a.m.

The first matter considered by the Committee was a request by Swift Energy Operating, LLC for the waiver of all or a portion of the liquidated damage assessments levied on the late partial releases of the following state leases:

- (a) State Lease No. 18668 in the amount of \$46,400.00, Plaquemines Parish, Louisiana; and
- (b) State Lease No. 18669 in the amount of \$46,400.00, Plaquemines Parish, Louisiana.

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 defer this request by Swift Energy Operating, LLC until the May 9, 2012 Legal & Title Controversy Committee Meeting. No comments were made by the public.

The second matter considered by the Committee was a request by Aspect Resources, LLC and Aspect Energy, LLC for the waiver of all or a portion of the liquidated damage assessments levied on the late assignments of the following state leases:

- (a) State Lease No. 16046, 16049, and 16051 in the amount of \$1,000.00, St. Mary Parish, Louisiana;

- (b) State Lease No. 15502 in the amount of \$1,000.00, Calcasieu Parish, Louisiana;
- (c) State Lease No. 15502 in the amount of \$1,000.00, Calcasieu Parish, Louisiana;
- (d) State Lease No. 16505 and 17721 in the amount of \$1,000.00, Jefferson Davis Parish, Louisiana;
- (e) State Lease No. 16505 in the amount of \$1,000.00, Jefferson Davis Parish, Louisiana;
- (f) State Lease No. 17721 in the amount of \$1,000.00, Jefferson Davis Parish, Louisiana; and
- (g) State Lease No. 18529 in the amount of \$1,000.00, Jefferson Davis Parish, Louisiana.

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 defer this request by Aspect Resources, LLC and Aspect Energy, LLC until the May 9, 2012 Legal & Title Controversy Committee Meeting. No comments were made by the public.

The third matter considered by the Committee was a request by Exco Operating Company, LP and BG US Production Company, LLC for the waiver of all or a portion of the liquidated damage assessment levied on the late partial release of State Lease No. 20356, in the amount of \$3,900.00, Caddo and Desoto Parishes, Louisiana.

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 defer this request until Mineral Income has satisfied its audit dealings with Exco Operating Company, LP. No comments were made by the public.

The fourth matter considered by the Committee was a request for final approval of an Operating Agreement by and between the State of Louisiana, through the State Mineral and Energy Board and Apache Corporation, 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 20.625% before payout, increasing to 21.5 % after payout, in and to the Operating Tract, whereas Operator desires and intends to obtain production from the TUSC RA N VUB; SL 6647 No. 4 Well (Serial No. 228974), containing acres 720.00, more or less, covering a portion of Former State Lease Nos. 6646 and 6647, St. Bernard Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-15.

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 final approval of the Operating Agreement by and between the State of Louisiana, through the State Mineral and Energy Board and Apache Corporation, on the docket as Item No. 12-15. No comments were made by the public.

The fifth matter considered by the Committee was a request by Petrohawk Properties, LP for authority to escrow funds in regard to State Lease No. 19887 for royalties attributable to production from Tract 5 of the HA RB SUVV; Wellman 20-13-11 H-1, in Section 20, Township 13 North, Range 11 West, located in Thorn Lake Field, Red River Parish, Louisiana pending resolution of the matter entitled: Chesapeake Louisiana, L.P. vs. The State Mineral and Energy Board of Louisiana et al, Docket No. 35525, 39th Judicial District Court, Red River Parish, Louisiana.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Smith, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Petrohawk Properties, LP's request for authority to escrow funds in regard to State Lease No. 19887 for royalties attributable to production from Tract 5 of the HA RB SUVV; Wellman 20-13-11 H-1, in Section 20, Township 13 North, Range 11 West, located in Thorn Lake Field, Red River Parish, Louisiana pending resolution of the matter entitled: Chesapeake Louisiana, L.P. vs. The State Mineral and Energy Board of Louisiana et al, Docket No. 35525, 39th Judicial District Court, Red River Parish, Louisiana, subject to the standard escrow requirements established by OMR, for a period continuing until the Chesapeake suit is concluded. No comments were made by the public.

The sixth matter considered by the Committee was a request by QEP Energy Company for authority to escrow funds in regard State Lease No. 19398 for royalties attributable to production from CV RA SUJ and HA RA SUAA, Thorn Lake Field, Red River Parish, Louisiana, pending resolution of the matter entitled: Chesapeake Operating, Inc. et al vs. The State Mineral and Energy Board of Louisiana et al, Docket No. 35514.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Smith, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant QEP Energy Company's request for authority to escrow funds in regard State Lease No. 19398 for royalties attributable to production from CV RA SUJ and HA RA SUAA, Thorn Lake Field, Red River Parish, Louisiana, pending resolution of the matter entitled: Chesapeake Operating, Inc. et al vs. The State Mineral and Energy Board of Louisiana et al, Docket No. 35514, subject to the standard escrow requirements established by OMR, for a period continuing until the Chesapeake suit is concluded. No comments were made by the public.

The seventh matter considered by the Committee was a request by Staff to amend the State and State Agency mineral lease form to include a provision for lease maintenance by payment of an oil in-lieu royalty payment for oil wells shut in under circumstances similar to that provided for shut in gas wells at \$50.00 per acre, to amend the lease to reflect a \$50.00 per acre gas shut-in payment, and to amend the Force Majeure language in the lease to include provisions for lease maintenance during force majeure situations by payment of oil in-lieu royalty payments where applicable, and further, to make it Board policy to require the addition of the shut-in oil well provision as

well as the amended force majeure clause containing reference to the shut-in oil well provision when any lessee requests the amendment of any State mineral lease.

Upon recommendation of the staff and upon motion of Mr. Smith, seconded by Mr. Diez, the Committee voted unanimously to recommend that the State and State Agency mineral lease form be amended to include a provision for lease maintenance by payment of an oil in-lieu royalty payment for oil wells shut in under circumstances similar to that provided for shut in gas wells at \$50.00 per acre, to amend the lease to reflect a \$50.00 per acre gas shut-in payment, and to amend the Force Majeure language in the lease to include provisions for lease maintenance during force majeure situations by payment of oil in-lieu royalty payments where applicable, and further, to make it Board policy to require the addition of the shut-in oil well provision as well as the amended force majeure clause containing reference to the shut-in oil well provision when any lessee requests the amendment of any State mineral lease. The actual amendment to be made to the State mineral lease form is more clearly shown on resolution for this matter. No comments were made by the public.

The eighth matter considered by the Committee was an update by Staff to advise the Board on the status of the joint escrow account with J-W Operating regarding the suit entitled *Devon Energy Production Company v. Gail Norton, et al.*, Docket No. 04-2093 in the United States District Court for the Western District of Louisiana.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Smith, the Committee voted unanimously to recommend withdrawal of the previous recommendation to assess liquidated damages and penalties and to place J-W Operating on demand for non-payment of royalty.

The ninth matter considered by the Committee was a request by Staff for authority to amend the State mineral lease to include language which allows a State mineral lessee to submit evidence that a particular State mineral lease will participate in the drilling of an ultra-deep well and thereby have the Board amend the lease by resolution to increase the normal Three (3) year primary term for an inland lease to Five (5) years.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Smith, the Committee voted unanimously to recommend that the State mineral lease form be amended to reflect the ability of a State mineral lessee to have the Board change by resolution the primary term for an inland lease from Three (3) to Five (5) years upon showing of sufficient evidence that the lease will participate in the drilling of an ultra-deep well. The actual amendment to be made to the State mineral lease form is more clearly shown on resolution for this matter. No comments were made by the public.

The tenth matter considered by the Committee was a request by Staff for authority to amend the State mineral lease form to include language requiring the lessee, his successors and assigns, to report production from or attributable to all or a portion of the lease by LeaseUnitWell (LUW) code and by well serial number, and further, to require, as Board policy, that such language be added any time a State mineral lessee desires to amend an existing State mineral lease.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Ms. Smith, the Committee voted unanimously to recommend that the State mineral lease form be amended to include language requiring the lessee, its successors or assigns, to report production from or attributable to its lease to the Office of Conservation and to the Office of Mineral Resources under both the LUW code and by well serial number. The actual amendment to be made to the State mineral lease form is more clearly shown on resolution for this matter. No comments were made by the public.

The eleventh matter considered by the Committee was a request by Sunnyside Resources, Inc. (hereinafter "Sunnyside") for a one-year extension of the primary terms of State Lease Nos. 20047, 20048, and 20050 (hereinafter "the Leases"). The Leases were each granted by the State Mineral Board on May 13, 2009, with three (3) year primary terms. Sunnyside requests Board approval for each lease to be amended to provide for a four (4) year primary term on each Lease for a consideration of a full bonus payment for each lease without the requisite increase of 0.5% royalty because the royalty is already at 26.5%.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Diez, the Committee voted unanimously to grant approval, in principle, of Sunnyside Resources, Inc.'s request to amend State Lease Nos. 20047, 20048 and 20050 to increase the primary term from Three (3) to Four (4) years in return for a full bonus payment for each lease, subject to drafting of an appropriate instrument, execution thereof, proper advertisement, and placed on the Docket for final approval.

Upon motion of Mr. Segura, seconded by Ms. Smith, the Legal & Title Controversy Committee meeting was recessed to begin the State Mineral and Energy Board Meeting at 10:57 A.M.

Upon motion of Mr. Segura, seconded by Mr. Arnold, the Legal & Title Controversy Committee meeting was resumed at 11:00 A.M.

Upon motion of Mr. Segura, seconded by Ms. Smith, the Committee voted unanimously to go into Executive Session at 11:01 A.M.

Upon motion of Mr. Arnold, seconded by Ms. Smith the Committee voted unanimously to return to Open Session at 11:43 A.M.

The following matters were discussed in Executive Session:

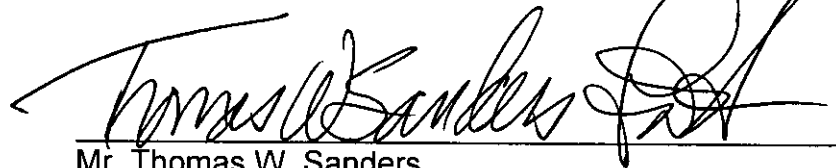
The twelfth matter considered by the Committee was a discussion in executive session of the suit entitled: LLOG Exploration Company, LLC v. State of Louisiana, et al, Docket No. 95360-D, 15th Judicial District Court, Parish of Vermillion, filed on March 13, 2012.

This matter was merely a discussion, and no action was required.

The thirteenth matter considered by the Committee was a discussion in executive session of the suit entitled: Chesapeake Louisiana, L.P. v. State of Louisiana, et al, Suit No. 3:11-CV-00772-BAJ-SCR, United States District Court, Middle District of Louisiana, as well as the operating agreement originally proposed by Chesapeake.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Smith, the Committee voted unanimously to recommend that counter offer proposed by Chesapeake Louisiana, L.P. by letter dated April 5, 2012 be rejected.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Diez, the Legal and Title Controversy Committee meeting adjourned at 11:44 a.m.



Mr. Thomas W. Sanders
Legal and Title Controversy Committee
Louisiana State Mineral and Energy Board

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

WHEREAS, a request was made by Swift Energy Operating, LLC for the waiver of all or a portion of the liquidated damage assessments levied on the late partial releases of the following state leases:

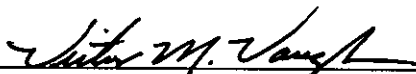
- (a) State Lease No. 18668 in the amount of \$46,400.00, Plaquemines Parish, Louisiana; and
- (b) State Lease No. 18669 in the amount of \$46,400.00, Plaquemines Parish, Louisiana;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board defer this request by Swift Energy Operating, LLC until the May 9, 2012 Legal & Title Controversy Committee Meeting.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, 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, a request was made by Aspect Resources, LLC and Aspect Energy, LLC for the waiver of all or a portion of the liquidated damage assessments levied on the late assignments of the following state leases:

- (a) State Lease No. 16046, 16049, and 16051 in the amount of \$1,000.00, St. Mary Parish, Louisiana;
- (b) State Lease No. 15502 in the amount of \$1,000.00, Calcasieu Parish, Louisiana;
- (c) State Lease No. 15502 in the amount of \$1,000.00, Calcasieu Parish, Louisiana;
- (d) State Lease No. 16505 and 17721 in the amount of \$1,000.00, Jefferson Davis Parish, Louisiana;
- (e) State Lease No. 16505 in the amount of \$1,000.00, Jefferson Davis Parish, Louisiana;
- (f) State Lease No. 17721 in the amount of \$1,000.00, Jefferson Davis Parish, Louisiana; and
- (g) State Lease No. 18529 in the amount of \$1,000.00, Jefferson Davis Parish, Louisiana;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board defer this request by Aspect Resources, LLC and Aspect Energy, LLC until the May 9, 2012 Legal & Title Controversy Committee Meeting.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, 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:

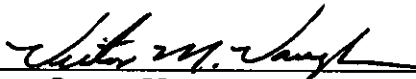
WHEREAS, a request was made by Exco Operating Company, LP and BG US Production Company, LLC for the waiver of all or a portion of the liquidated damage assessment levied on the late partial release of State Lease No. 20356, in the amount of \$3,900.00, Caddo and Desoto Parishes, Louisiana;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board defer this request until Mineral Income has satisfied its audit dealings with Exco Operating Company, LP.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, 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, a request was made for final approval of an Operating Agreement by and between the State of Louisiana, through the State Mineral and Energy Board and Apache Corporation, 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 20.625% before payout, increasing to 21.5 % after payout, in and to the Operating Tract, whereas Operator desires and intends to obtain production from the TUSC RA N VUB; SL 6647 No. 4 Well (Serial No. 228974), containing acres 720.00, more or less, covering a portion of Former State Lease Nos. 6646 and 6647, St. Bernard Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-15;

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 of Louisiana, through the State Mineral and Energy Board and Apache Corporation, on the docket as Item No. 12-15.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

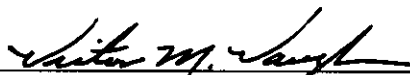
WHEREAS, a request was made by Petrohawk Properties, LP for authority to escrow funds in regard to State Lease No. 19887 for royalties attributable to production from Tract 5 of the HA RB SUVV; Wellman 20-13-11 H-1, in Section 20, Township 13 North, Range 11 West, located in Thorn Lake Field, Red River Parish, Louisiana pending resolution of the matter entitled: Chesapeake Louisiana, L.P. vs. The State Mineral and Energy Board of Louisiana et al, Docket No. 35525, 39th Judicial District Court, Red River Parish, Louisiana;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant Petrohawk Properties, LP's request for authority to escrow funds in regard to State Lease No. 19887 for royalties attributable to production from Tract 5 of the HA RB SUVV; Wellman 20-13-11 H-1, in Section 20, Township 13 North, Range 11 West, located in Thorn Lake Field, Red River Parish, Louisiana pending resolution of the matter entitled: Chesapeake Louisiana, L.P. vs. The State Mineral and Energy Board of Louisiana et al, Docket No. 35525, 39th Judicial District Court, Red River Parish, Louisiana, subject to the standard escrow requirements established by OMR, for a period continuing until the Chesapeake suit is concluded.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

WHEREAS, a request was made by QEP Energy Company for authority to escrow funds in regard State Lease No. 19398 for royalties attributable to production from CV RA SUJ and HA RA SUAA, Thorn Lake Field, Red River Parish, Louisiana, pending resolution of the matter entitled: Chesapeake Operating, Inc. et al vs. The State Mineral and Energy Board of Louisiana et al, Docket No. 35514;

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 QEP Energy Company's request for authority to escrow funds in regard State Lease No. 19398 for royalties attributable to production from CV RA SUJ and HA RA SUAA, Thorn Lake Field, Red River Parish, Louisiana, pending resolution of the matter entitled: Chesapeake Operating, Inc. et al vs. The State Mineral and Energy Board of Louisiana et al, Docket No. 35514, subject to the standard escrow requirements established by OMR, for a period continuing until the Chesapeake suit is concluded.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, 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. Smith, duly seconded by Mr. Diez, the following Resolution was adopted by the Board, to-wit:

WHEREAS, while there is a provision in the present Louisiana State mineral lease form to maintain the lease in full force and effect when a gas well is drilled capable of producing in paying quantities, but the well cannot produce due to lack of a sales contract or facilities, by payment of an in-lieu royalty payment; there is no such provision to maintain the lease when an oil well is drilled capable of producing in paying quantities, but cannot produce due to lack of facilities, and

WHEREAS, the same disparity holds true in a force majeure situation where a lessee is required to pay gas in-lieu royalty payments to maintain the lease where a gas well otherwise capable of producing in paying quantities is shut in due to force majeure, but a lessee with an oil well otherwise capable of producing in paying quantities, which is shut in due to force majeure, does not have to pay anything, and

WHEREAS, in fairness to the lessee of State mineral leases and to the State, the provisions for maintenance of the lease in well shut-in situations should be the same for oil and gas wells drilled and capable of producing in paying quantities, and

WHEREAS, the State mineral lease should be amended to include an oil well shut-in in-lieu royalty payment provision, to make the shut-in, in-lieu royalty rate for both oil and gas Fifty (\$50) Dollars per acre, and further, that, whenever a State mineral lessee request an amendment of an existing lease, the Board should require, as a policy, that the oil shut-in provision be added as well as the Force Majeure clause amended to include lease maintenance by oil in-lieu royalty payments in a force majeure situation.

NOW THEREFORE, BE IT RESOLVED, that staff is authorized to add the following language to the existing State Mineral Lease Form and State Agency Mineral Lease Form, to-wit:

(d)(ii) If at any time or times (during or after the primary term) there is on the leased premises, or off the leased premises, but affecting the leased premises by means of a unit including all or a portion of this leased premises, a well or wells capable of producing oil in commercial quantities, which fact has been duly verified and confirmed in accordance with Lessor's requirements for proof thereof, but oil is not being used, produced, or marketed therefrom because of the lack of a marketing contract after reasonable attempts to secure same, or lack of production or marketing facilities, and if this Lease is not then being otherwise maintained by separate operations or production, this Lease shall, nevertheless, remain in full force and effect for a period of ninety (90) days after cessation of such production or such operations, or the shutting in of such well. If, on or before the expiration of the ninety (90) day period, production or operations shall not have been commenced or resumed, Lessee, in order to maintain the Lease in force thereafter, shall pay one or more semi-annual payments at the rate and in the manner provided herein below and thereby maintain the Lease in full force and effect during the period or periods covered by the payment or payments. If the ninety (90) day period should run during the first year of the primary term or during any year for which a rental has previously been paid or from which a rental has been exempted by drilling or production across an anniversary date, the initial payment hereunder shall not be required until the next anniversary date of the lease. However, if operations or production ceases after the primary term, the first payment shall be made on or before the expiration of the ninety (90) day period and shall maintain this Lease for six (6) months, commencing from the expiration of the ninety (90) day period [Initial Oil Shut-in Period]. Should the securing of a marketing contract or production or marketing facilities not be accomplished during the Initial Oil Shut-in Period and production of oil established, despite diligent effort by Lessee and recognition of such effort on the part of the Lessee by the Board, the Board may grant an additional Oil Shut-in period, or periods, as warranted under the same terms herein stated and for the same consideration as herein below set forth. Failure to make or tender the Oil Shut-in payment on or before an Oil Shut-in payment due date shall terminate this lease.

The initial Oil Shut-in semi-annual shut-in payment, and any subsequent Oil Shut-in payment which may be granted, shall be at the rate of Fifty Dollars (\$50.00) per acre multiplied times the then existing number of acres covered by this lease and being maintained by the shut-in well, but no such payment shall be less than One Thousand Dollars (\$1,000.00). Each payment shall maintain this Lease in full force and effect for a period of six (6) months, and during each period for which a payment has been made, it shall be considered that oil is being produced hereunder for all purposes hereof; however if the provisions of this paragraph are in conflict with those of any other paragraph hereof, the provisions of this paragraph shall be controlling.

If on any Oil Shut-in payment date, actual drilling operations are being conducted on or actual production of oil in paying quantities is being obtained from the lease premises, no Oil Shut-in payment shall be due.

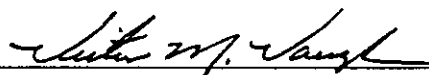
If a subsequent Oil Shut-in payment is denied by Lessor because Lessee has failed to demonstrate sufficiently to Lessor that it is diligently, and in good faith, attempting to remedy the lack of facilities to produce or market the product or obtain a market contract for the product, then on the last day of the previously paid Oil Shut-in period, this lease shall terminate unless it can be maintained under other provisions hereof, including a full rental payment if applicable during the primary term.

BE IT FURTHER RESOLVED, that the per acre rate for both oil and gas shut-in, in-lieu royalty payments shall be Fifty (\$50) Dollars and that the present shut-in gas well provision in the present State and State Agency mineral lease form be amended to reflect the rate of Fifty (\$50) Dollars per acre.

BE IT FURTHER RESOLVED, and the Board declares it as a policy matter, that, whenever a State mineral lessee desires to amend his lease, or leases, in any manner, in addition to the other required clauses to be included in the amendment and the new Force Majeure clause, he shall be required to include the shut-in oil well provision in the amendment and that the gas shut-in provision in the amended lease will reflect \$50.00 per acre rather than \$25.00 per acre and a minimum of not less than \$1,000.00.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, 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. Smith, the following resolution was offered and unanimously adopted:


WHEREAS, an update by Staff was given to the Board on the status of the joint escrow account with J-W Operating regarding the suit entitled *Devon Energy Production Company v. Gail Norton, et al.*, Docket No. 04-2093 in the United States District Court for the Western District of Louisiana;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board withdraw the previous recommendation to assess liquidated damages and penalties and to place J-W Operating on demand for non-payment of royalty.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, 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, duly seconded by Mr. Smith, the Louisiana State Mineral and Energy Board unanimously adopted the following Resolution, to-wit:

WHEREAS, the Board previously adopted a policy whereby mineral leases awarded by the Board would carry a three year primary term for inland leases and a five year primary term for offshore leases (within the three mile territorial waters of the State of Louisiana) which was a reflection of the additional time frame necessary to secure special equipment, financing and permits for drilling offshore prospects, and

WHEREAS, in the present oil and gas exploration environment, many inland Louisiana prospects require the drilling of ultra-deep wells (wells drilled below Twenty-two Thousand (22,000') feet) to access reservoirs capable of producing hydrocarbons sufficient for economic viability, and

WHEREAS, special equipment, additional financing, special permitting and other requirements beyond that normally required previously for drilling inland prospects have become requisite to drilling those ultra-deep wells necessitating additional time similar to that required previously for drilling offshore prospects, and

WHEREAS, the granting of additional length of primary term from three to five years for those inland leases involved in drilling ultra-deep wells has become advisable in the best interest of the State to facilitate the drilling of said ultra-deep wells, and

WHEREAS, the most advantageous method of accomplishing this purpose is to amend the lease form to include language providing for an increase in the primary term from three to five years when shown that the lease will be involved in the drilling of an ultra-deep well.

NOW THEREFORE, BE IT RESOLVED that the State mineral lease form be amended to include the following language, to-wit:

"Whenever it can be shown by evidence acceptable to the staff and the Board-including, but not necessarily limited to, applying for a permit to drill an ultra-deep well , the formation of a unit including all or a portion of this lease, for the purpose of drilling an ultra-deep well, or a signed affidavit from the lessee to that effect- that this lease will be involved, in whole or in part by inclusion in a unit for that purpose, in the drilling of an ultra-deep well (22,000' or greater), the Board, by resolution, may increase the primary term of this lease, if originally granted for a Three year period, to Five years so long as the evidence shown and Board action occurs prior to the end of the original Three year primary term "

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, 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, duly seconded by Ms. Smith, the following Resolution was adopted by the Board, to-wit:

WHEREAS, the Office of Mineral Resources is the steward of the State's mineral and royalty interest; in particular, the Geological and Engineering Division is tasked with the evaluation of oil and gas potential utilizing individual well and reservoir performance on or affecting leased and unleased State owned land and water bottoms, and the Mineral Income Division is mandated to accurately and timely perform audits of those producing properties associated with State Mineral Leases and Operating Agreements, and

WHEREAS, the Mineral Income Division of the Office of Mineral Resources has historically had difficulty performing audits from production reports reported by LeaseUnitWell (LUW) code, which may include wells under the same code with no production attributable to a State mineral lease, or may include production from a well which is attributable to more than one State mineral lease, and

WHEREAS, the Geological and Engineering has likewise had difficulty in evaluating oil and gas potential, as well as well and reservoir performance, when production is reported by LUW code which, again, may include multiple wells under the same LUW code, and

WHEREAS, State mineral lessees reporting production to the Production Audit Division of the Office of Conservation and to the Mineral Income Division of the Office of Mineral Resources (available to the Geological and Engineering Division as well) on a Well Serial Number basis, as well as a LUW code basis, would greatly enhance to ability of the Mineral Income Division to perform its requisite audit functions in a more accurate, as well as more timely, manner, and

WHEREAS, an amendment to the present State and State Agency mineral lease form requiring the mineral lessee to report production from or attributable to the lease on a Well Serial Number basis as well as a LUW code basis in the only practical method of accomplishing this effect at the present, and to make it more effective, requiring any mineral lessee desiring to amend his lease or leases for any reason to include the language requiring said lessee to report production from or attributable to his lease by Well Serial Number and LUW code.

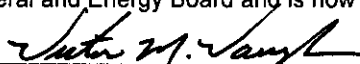
NOW THEREFORE, BE IT RESOLVED, the Board hereby authorizes the staff to add the following language to the State lease form, to-wit:

"Lessee shall report all production of hydrocarbons and associated liquid or gaseous minerals from, or attributable to, this lease to the Production Audit Division of the Office of Conservation and to the Mineral Income Division of the Office of Mineral Resources by appropriate SR forms containing both LeaseUnitWell (LUW) code and, beginning January 1, 2013, well serial number. Failure to report production as herein specified shall be deemed "improper reporting" which shall subject Lessee to the penalty specified therefor."

BE IT FURTHER RESOLVED, and the Board hereby adopts this as a policy, that any State mineral lessee desiring to amend a State mineral lease for any reason, in addition to including any other required language, must add the above language on reporting production from or attributable to the amended lease.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, 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. Diez, the following resolution was offered and unanimously adopted:

WHEREAS, a request was made by Sunnyside Resources, Inc. (hereinafter "Sunnyside") for a one-year extension of the primary terms of State Lease Nos. 20047, 20048, and 20050 (hereinafter "the Leases"). The Leases were each granted by the State Mineral Board on May 13, 2009, with three (3) year primary terms. Sunnyside requests Board approval for each lease to be amended to provide for a four (4) year primary term on each Lease for a consideration of a full bonus payment for each lease without the requisite increase of 0.5% royalty because the royalty is already at 26.5%;

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 approval, in principle, of Sunnyside Resources, Inc.'s request to amend State Lease Nos. 20047, 20048 and 20050 to increase the primary term from Three (3) to Four (4) years in return for a full bonus payment for each lease, subject to drafting of an appropriate instrument, execution thereof, proper advertisement, and placed on the Docket for final approval.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, 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. Smith, the following resolution was offered and unanimously adopted:

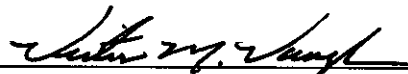
WHEREAS, a discussion in executive session was held in regard to the suit entitled: Chesapeake Louisiana, L.P. v. State of Louisiana, et al, Suit No. 3:11-CV-00772-BAJ-SCR, United States District Court, Middle District of Louisiana, as well as the operating agreement originally proposed by Chesapeake;

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 reject the counter offer proposed by Chesapeake Louisiana, L.P. by letter dated April 5, 2012.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



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

DOCKET REVIEW COMMITTEE REPORT

The Docket Review Committee convened at 11:45 a.m. on Wednesday, April 11, 2012. Board Members present were Mr. Robert D. Harper, Ms. Helen G. Smith, Mr. Emile Cordaro, Mr. Darryl D. Smith, Mr. W. Paul Segura, Jr., Mr. Robert "Michael" Morton, Mr. John C. "Juba" Diez, Mr. Thomas W. Sanders, Mr. Thomas L. Arnold, Jr. 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 all State Agency Lease A, B and C on pages 1 and 2;

Approve all Assignments on pages 3 through 12;

Approve the following items upon recommendation of the Legal and Title Controversy Committee: Docket Item No. 12-15 on page 13;

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

There being no further business to come before the committee, upon motion of Mr. Sanders, and seconded by Mr. Smith, the committee voted unanimously to adjourn the meeting at 11:48 a.m.

Respectfully submitted,

A handwritten signature in black ink that reads "John C. 'Juba' Diez / cw". The signature is written over a horizontal line.

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the April 11, 2012 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Terrebonne Parish Consolidated Government, dated February 23, 2012, awarded to Sun Coast Production Company, Ltd, covering lands located in Section 102, Township 17 South, Range 17 East, Terrebonne Parish, Louisiana, containing 29.81 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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item B from the April 11, 2012 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Calcasieu Parish Police Jury, dated March 5, 2012, awarded to J.P. Oil Company, L.L.C., covering lands located in Section 12, Township 9 South, Range 8 West, Calcasieu Parish, Louisiana, containing 0.24 acres, more or less, with further contractual obligations being more enumerated in the instrument.

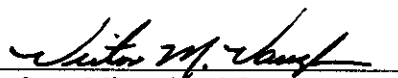
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title 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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item C from the April 11, 2012 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the South Lafourche Levee District, dated March 1, 2012, awarded to Alpine Exploration Companies, Inc., covering lands located in Section 5, Township 19 South, Range 23 East, Lafourche Parish, Louisiana, **LESS AND EXCEPT** any portion of the tract located within the confines of the KRG 9900' RB SU, containing approximately 58.8546 acres, with further contractual obligations being more enumerated in the instrument.

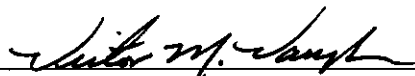
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title 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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being an Assignment from RoDa Drilling, LP to White Oak Resources VI, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 18090, 18091 and 18092, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument

White Oak Resources VI, 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;

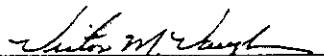
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being an Assignment from Zeneco, Inc to White Oak Resources VI, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 18090, 18091 and 18092, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

White Oak Resources VI, 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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being an Assignment from RoDa Drilling, LP to White Oak Resources VI, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 18350, 18351, 18352 and 19006, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

White Oak Resources VI, 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;

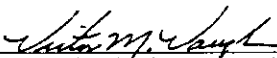
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being an Assignment from RoDa Drilling, LP to White Oak Resources VI, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 12806 and 15683, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

White Oak Resources VI, 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;

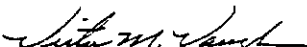
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being An Assignment from Castex Energy 2005, L.P, of all of Assignor's right, title and interest to the following in the proportions set out below:

| | |
|------------------------------|-------------------|
| Castex Energy Partners, L.P. | 21.875% of 8/8ths |
| Castex Energy 2008, L.P | 3.125% of 8/8ths |
| Apache Corporation | 25.000% of 8/8ths |

in and to State Lease No. 20525, 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,

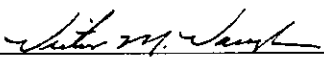
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being an an Assignment from Castex Energy 2005, LP, of all of Assignor's right, title and interest to the following in the proportions set out below:

| | |
|-----------------------------|------------------|
| Castex Energy Partners, L.P | 31.25% of 8/8ths |
| Castex Energy 2008, L.P. | 6.25% of 8/8ths |
| Apache Corporation | 12.50% of 8/8ths |

in and to State Lease Nos 20531 and 20534, 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,

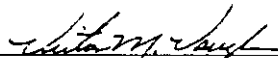
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being an Assignment from Castex Energy Partners, L.P., of an undivided interest to the following in the proportions set out below

| | |
|--------------------------|------------------|
| Castex Energy 2008, L.P. | 6 25% of 8/8ths |
| Apache Corporation | 50 00% of 8/8ths |

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,

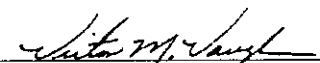
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas & Land Services, L.L.C. to Hilcorp Energy I, L.P., of all of Assignor's right, title and interest in and to State Lease No. 20596, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

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


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

- 1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument,
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board,
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any 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 11th day of, April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2011 Meeting be approved, said instrument being an Assignment from K-Exploration Co. to LLOG Exploration Company, L.L.C., of all of Assignor's right, title and interest in and to State Lease No. 20792, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument.

LLOG Exploration Company, 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;

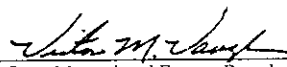
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being An Assignment from The Quantum Aspect Partnership, LP, of all of Assignor's right, title and interest to the following in the proportions set out below:

| | |
|------------------------------|----------|
| Black Diamond Resources, LLC | 3.9008% |
| QAB Carried W1, LP | 1.7519% |
| QAC Carried W1, LP | 3.1098% |
| Quantum Resources A1, LP | 91.2375% |

in and to State Lease Nos. 15009 and 15057, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument.

Quantum Resources A1, 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;

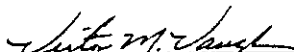
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being an Assignment from Schoeffler Energy Group, Inc. to Energy XXI GOM, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 20789, 20790, 20791, 20793, 20794 and 20795, Jefferson and Plaquemines Parishes, Louisiana, with further particulars being stipulated in the instrument

Energy XXI GOM, 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,

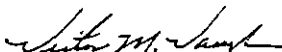
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being an Assignment from Palace Exploration Company to Energy XXI Onshore, LLC, an undivided 18.75% of 8/8ths working interest in and to State Lease No. 18614, Pointe Coupee Parish, Louisiana, with further particulars being stipulated in the instrument

Energy XXI Onshore, 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,

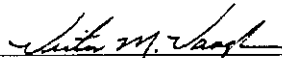
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

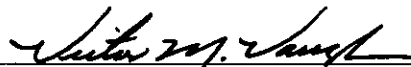
LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders, seconded by Mr. Smith, 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 11, 2012, Meeting be approved, said instrument being a Correction of Resolution No. 33 for the February 8, 2012 Meeting, being an Assignment from T.S. Dudley Land Company, Inc. to Southwestern Energy Production Company, whereas said resolution in correctly read... "Union Parish, Louisiana" and is hereby being corrected to read..."Claiborne Parish, Louisiana, affecting State Lease Nos. 20647 and 20650, Claiborne Parish, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, Meeting be approved, said instrument being an Assignment from Castex Energy 2005, LP, of all of Assignor's right, title and interest to the following in the proportions set out below:

| | |
|------------------------------|-------------------|
| Castex Energy Partners, L.P. | 21.875% of 8/8ths |
| Castex Energy 2008, LP | 3.125% of 8/8ths |
| Apache Corporation | 25.000% of 8/8ths |

in and to State Lease Nos 20523 and 20524, 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.

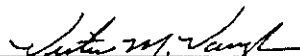
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 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 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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being an Assignment from Merit Energy Services, L.L.C. to Century Exploration Houston, LLC, of all of Assignor's right, title and interest in and to State Lease No. 20741, Allen Parish, Louisiana, with further particulars being stipulated in the instrument.

Century Exploration Houston, 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;

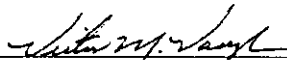
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being an Assignment from Castex Energy 2005, LP and Castex Energy 2008, L.P. of an undivided interest to the following in the proportions set out below:

| | |
|------------------------------|-------------------|
| Castex Energy Partners, L.P. | 21.875% of 8/8ths |
| Apache Corporation | 12.505% of 8/8ths |

in and to State Lease Nos 19957 and 20255, St. Mary Parish, Louisiana, reserving an undivided 3.125% of 8/8ths interest, 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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas & Land Services, LLC, of all of Assignor's right, title and interest to the following in the proportions set out below

| | |
|--|---------|
| Apache Corporation | 48.75% |
| Castex Energy Partners, L.P. | 38.125% |
| Castex Energy 2008, L.P. | 3.125% |
| Petsec Exploration and Production Co., LLC | 8.000% |
| GOME 1271, LLC | 2.000% |

in and to State Lease No. 20753, 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.

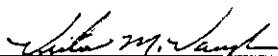
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being an Assignment from Houston Energy, L.P. to Apache Corporation, an undivided 50% of 8/8ths working interest in and to State Lease No. 20549, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

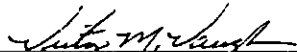
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being an Assignment from Houston Energy, L.P. to GCER Offshore, LLC, an undivided 50% of 8/8ths working interest in and to State Lease No. 20549, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

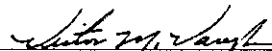
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of April, 2012 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being A Merger whereby Rippy Energy, Inc. is merging with and into Questar Exploration and Production Company, affecting State Lease Nos 17914, 17948, 19398 and 19460, DeSoto and Red River 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;

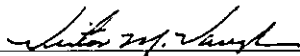
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of April, 2012 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders, seconded by Mr. Smith, 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 11, 2012, Meeting be approved, said instrument being a Correction of Resolution No. 4 from the August 11, 2010 being a Change of Name whereby Questar Exploration and Production Company is changing its name to QEP Energy Company, whereas State Lease Nos. 17914, 17948, 19398 and 19460, DeSoto and Red River Parishes, Louisiana, were omitted from said resolution and are hereby being added, affecting State Lease Nos. 6708, 16125, 16438, 17914, 17948, 18370, 19123, 19398 and 19460, Bossier, Caddo, DeSoto and Red River Parishes, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

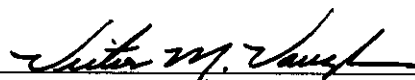
LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders, seconded by Mr. Smith, 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 11, 2012, Meeting be approved, said instrument being a Correction of Resolution from the September 9, 1998 Meeting, being an Assignment from ADA Land Company to ADA Oil Exploration Corporation, whereas State Lease No. 458, Plaquemines Parish, Louisiana, was omitted from said resolution and is hereby being added, affecting State Lease Nos. 458, 2383, 2453 and 5933, Bossier, Jefferson, Lafourche and Plaquemines Parishes, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

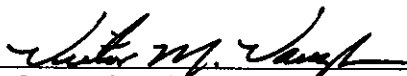
LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders, seconded by Mr. Smith, 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 11, 2012, Meeting be approved, said instrument being a Correction of Resolution No. 76 from the September 9, 1998 Meeting, being a Change of Name from ADA Oil Exploration Corporation to Adams Resources Exploration Corporation, whereas State Lease No. 458, Plaquemines Parish, Louisiana, was omitted from said resolution and is hereby being added, affecting State Lease Nos. 458, 2383, 2453, 5978 and Operating Agreement "KKK", Bossier, Jefferson, Lafourche and Plaquemines Parishes, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

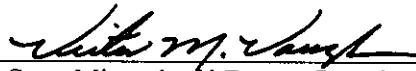
On motion of Mr. Sanders, seconded by Mr. Smith, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 24 from the April 11, 2012, Meeting be deferred, said instrument being an Assignment from Union Gas Corporation to SG-Port Barre, LLC, of all of Assignor's right, title and interest in and to State Lease No. 19544, St. Landry Parish, Louisiana, with further particulars being stipulated in the instrument.

SG-Port Barre, LLC 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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

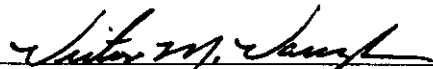
On motion of Mr. Sanders, seconded by Mr. Smith, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 25 from the April 11, 2012, Meeting be deferred, said instrument being an Assignment from SG-Port Barre, LLC to Petro-Guard Production, LLC, of 25% of Assignor's right, title and interest in and to State Lease No. 19544, St. Landry Parish, Louisiana, with further particulars being stipulated in the instrument.

Petro-Guard Production, LLC 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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Smith, 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 11, 2012 Meeting be approved, said instrument being a Correction of that certain Assignment, dated effective January 1, 2003, from EXOR Oil Exploration LLC to Samson Resources Company, whereas said parties desire to replace the original "Exhibit A" with the attached Exhibit "A", and whereas said party acknowledges that Samson resources Company assigned all its right, title and interest to Samson Contour Energy E&P, LLC, date effective March 1, 2004, affecting State Lease Nos. 8512, 9571 and 9572, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

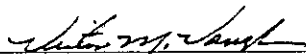
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 27 from the April 11, 2012 Meeting be approved, said instrument being an Assignment from Mobil Oil Exploration & Producing Southeast Inc. to Hilcorp Energy I, L.P., of all of Assignor's right, title and interest in and to State Lease Nos 8091, 9410 and 13470, St Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

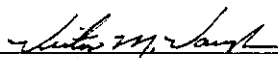
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 28 from the April 11, 2012 Meeting be approved, said instrument being a Merger whereby Cohort Energy Company is merging with and into J-W Operating Company, under the name of J-W Operating Company, affecting State Lease Nos. 6111, 6629, 6760, 6931, 7028, 8702, 10965, 11155, 11855, 13920, 16034, 16035, 16036, 16305, 16530, 16531, 16677, 16717, 17128, 17161, 17732, 17366, 17640, 17946, 18096, 18181, 18243, 18368, 18371 and 19122, Bienville, Bossier, Caddo, DeSoto, Red River and Webster 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;

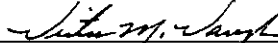
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 11th day of April, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12-15 from April 11, 2012, Meeting be approved, said instrument being an Operating Agreement by and between the State of Louisiana, through the State Mineral and Energy Board and Apache Corporation, 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 20.625% before payout, increasing to 21.5 % after payout, in and to the Operating Tract, whereas Operator desires and intends to obtain production from the TUSC RA N VUB; SL 6647 No. 4 Well (Serial No. 228974), containing acres 720.00, more or less, covering a portion of Former State Lease Nos. 6646 and 6647, St. Bernard 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 11th day of April, 2012 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.



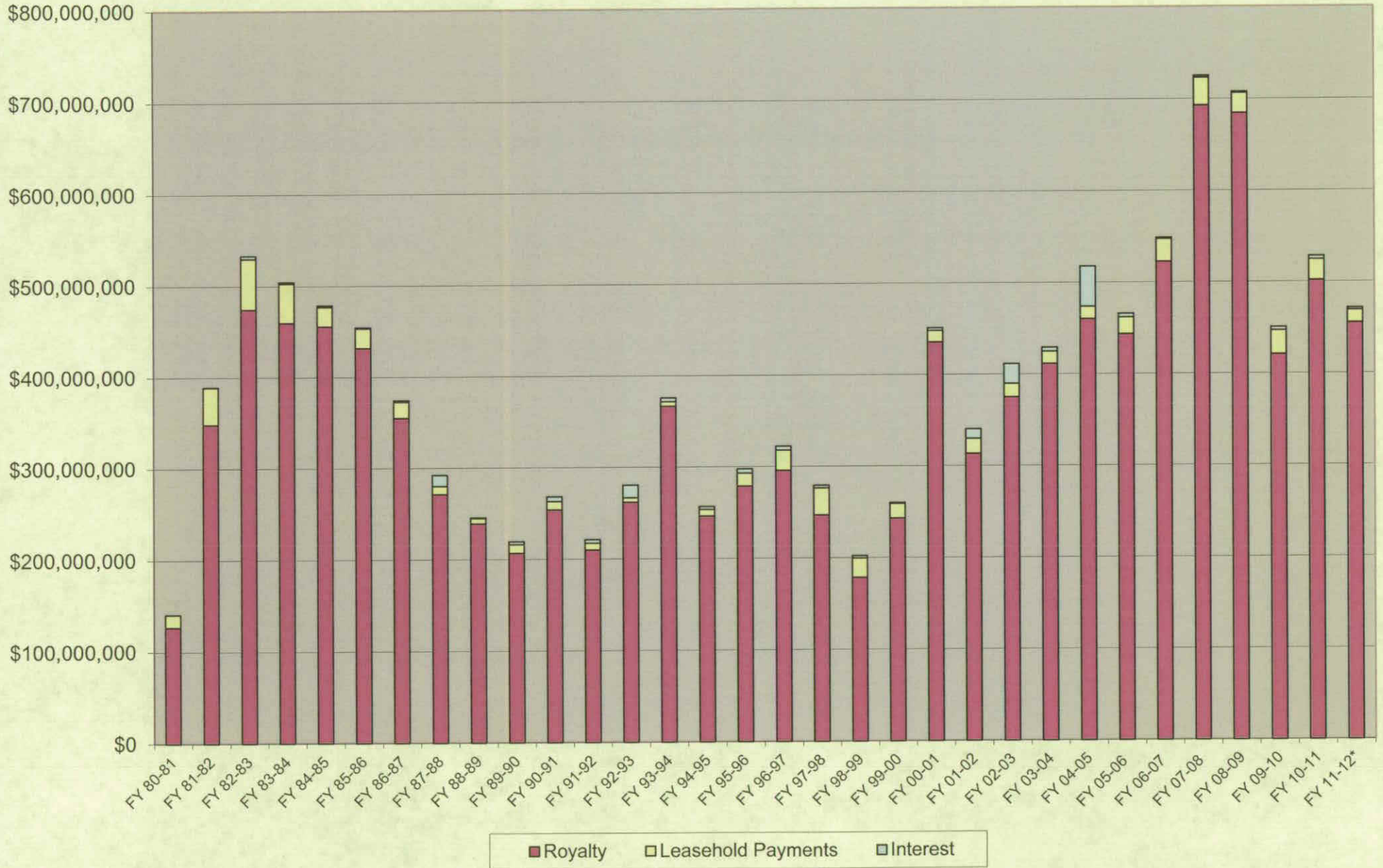
State Mineral and Energy Board



Office of Mineral Resources Mineral and Energy Board Meeting

April 11, 2012

Historical Cash Receipts

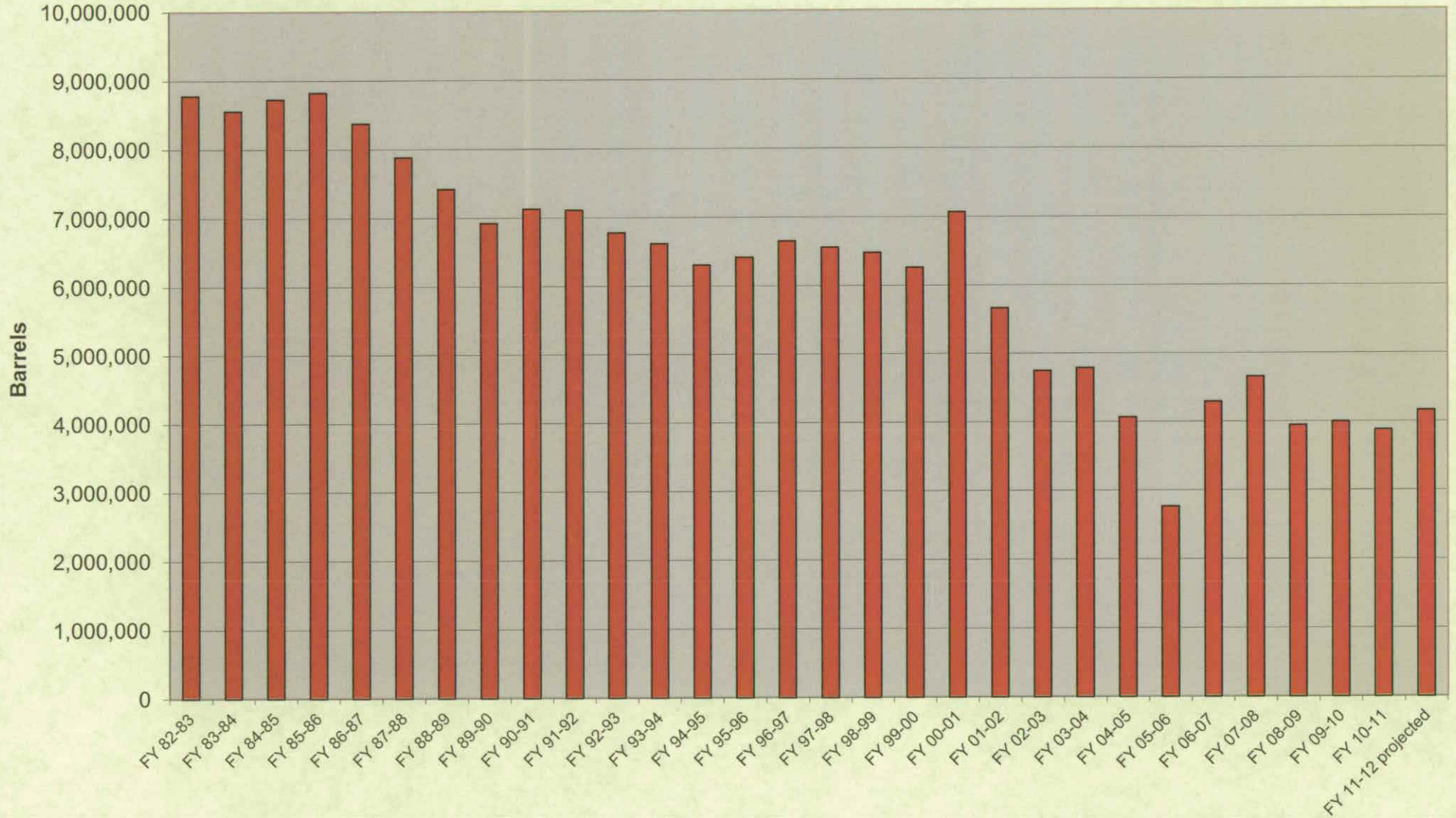


Historical Cash Receipts

| | <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 | \$30,293,007 | \$501,602,312 | \$22,735,393 | \$3,725,864 | \$558,356,576 | \$46,529,715 |
| FY 11-12* | \$19,581,238 | \$454,950,146 | \$13,731,897 | \$2,650,950 | \$490,914,231 | \$54,546,026 |
| | \$1,452,519,211 | \$11,664,618,719 | \$603,574,854 | \$173,587,989 | \$13,894,300,773 | |
| % of Total | 10% | 84% | 4% | 1% | | |

*Fiscal Year 11-12 includes July 2011 through March 2012

Historical Oil Production

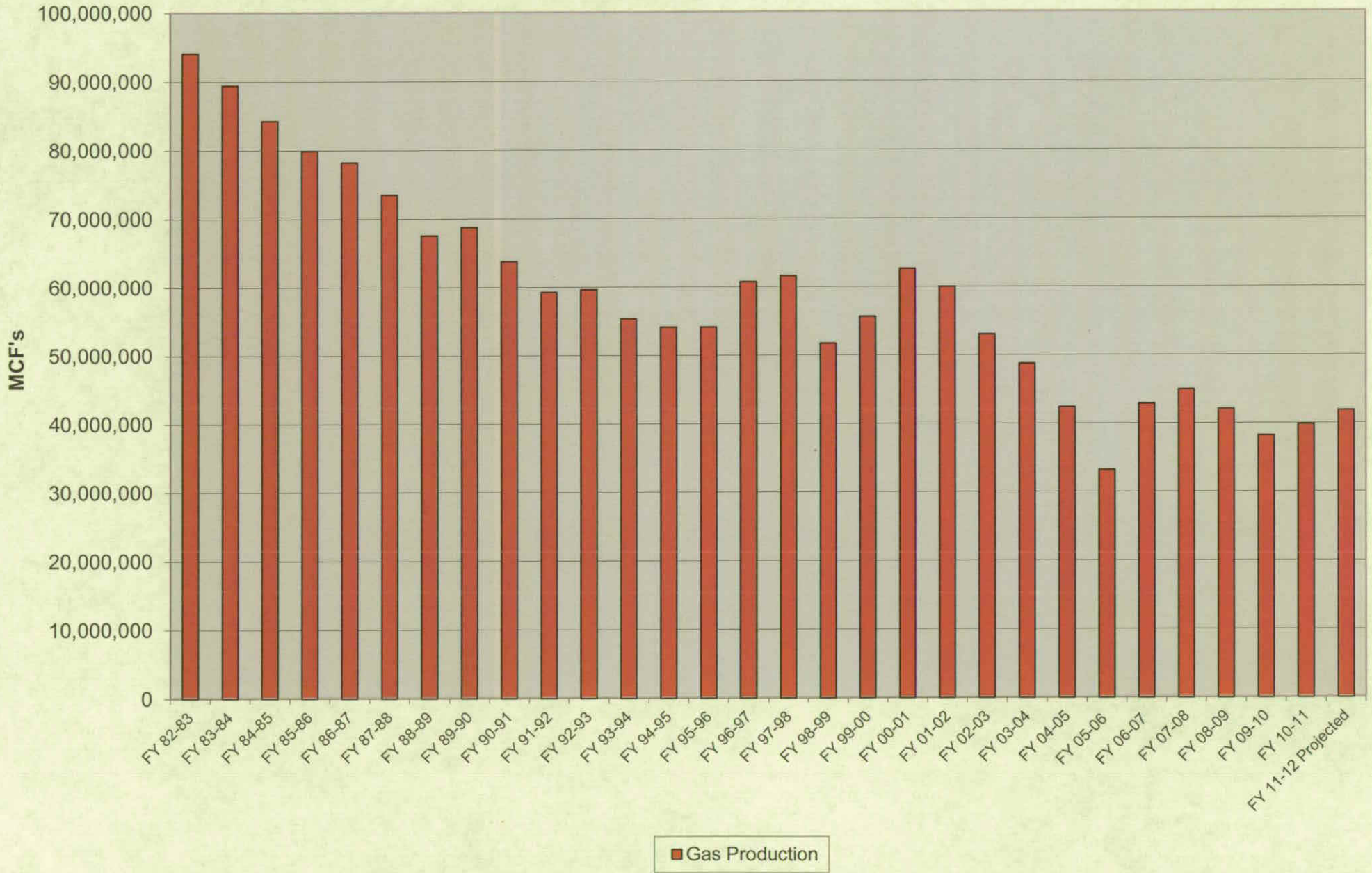


Oil Production

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 | 4,657,678 |
| FY 08-09 | 3,946,268 |
| FY 09-10 | 3,998,288 |
| FY 10-11 | 3,877,308 |
| FY 11-12 projected | 4,164,274 |
| | 185,894,412 |
| % of Total | 2% |

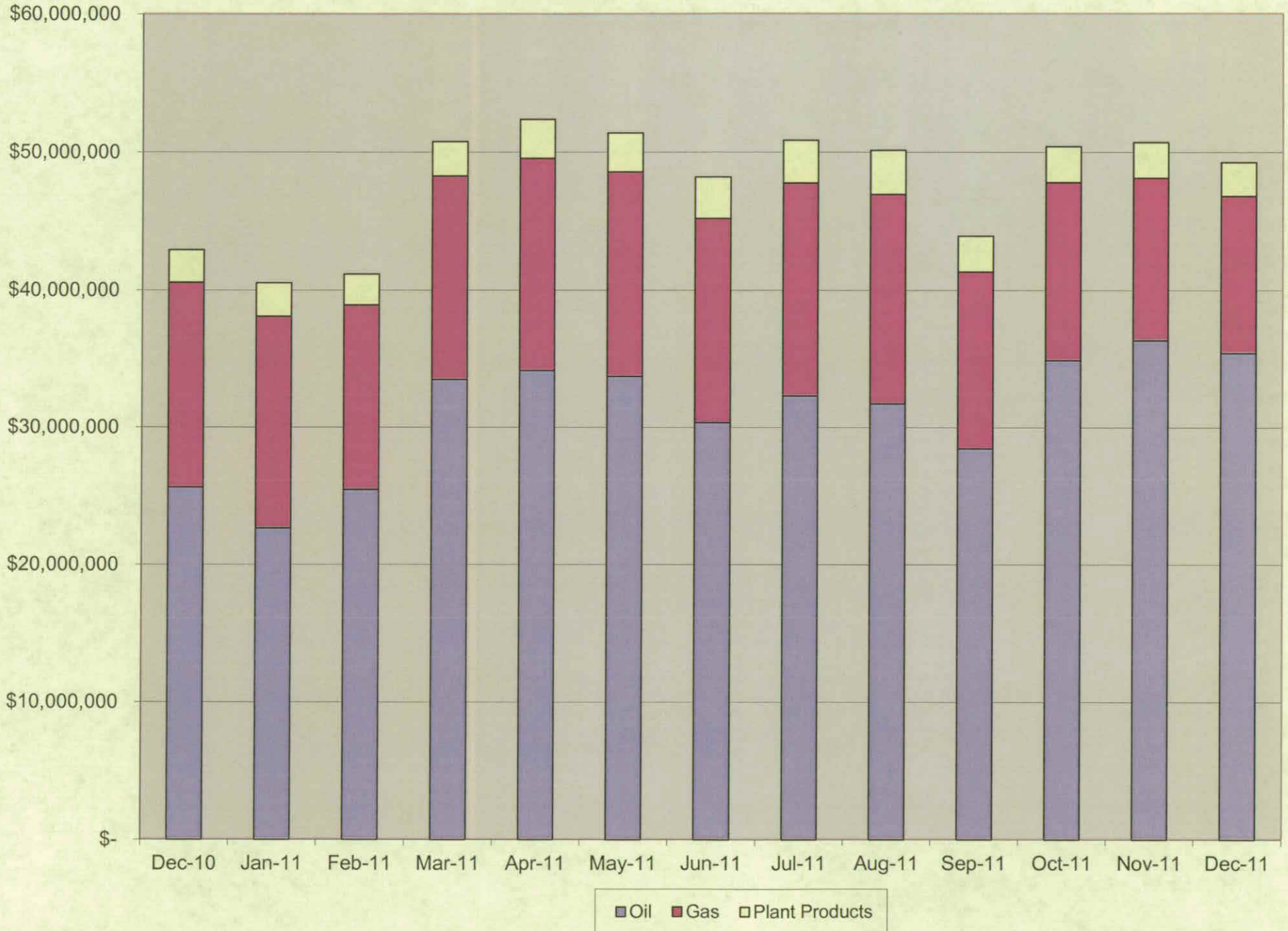
Historical Gas Production



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 | 44,928,254 |
| FY 08-09 | 42,063,843 |
| FY 09-10 | 38,166,548 |
| FY 10-11 | 39,862,869 |
| FY 11-12 Projected | 41,869,444 |
| | 1,761,688,720 |
| % of Total | 2% |

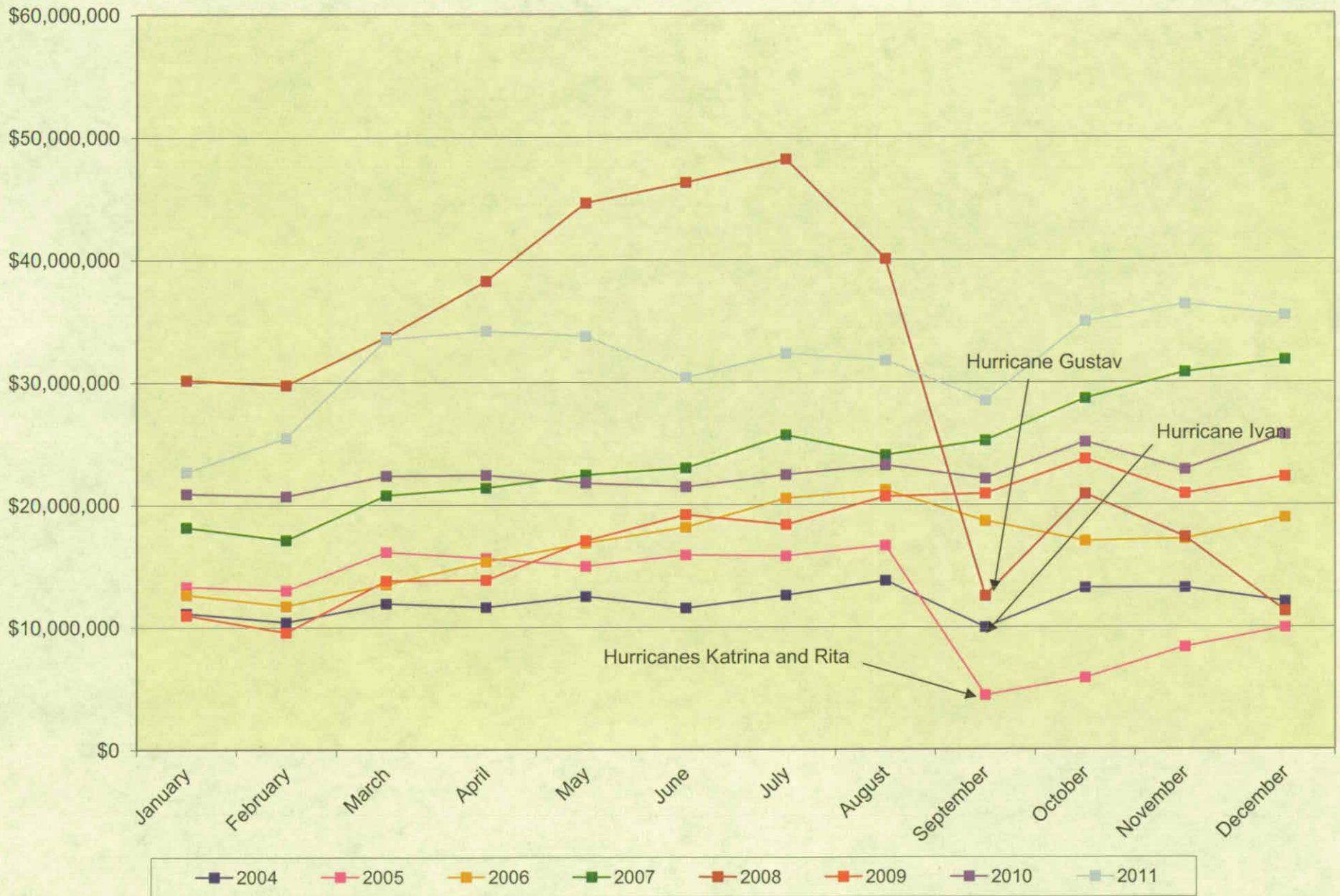
Royalty Collections by Disposition Month



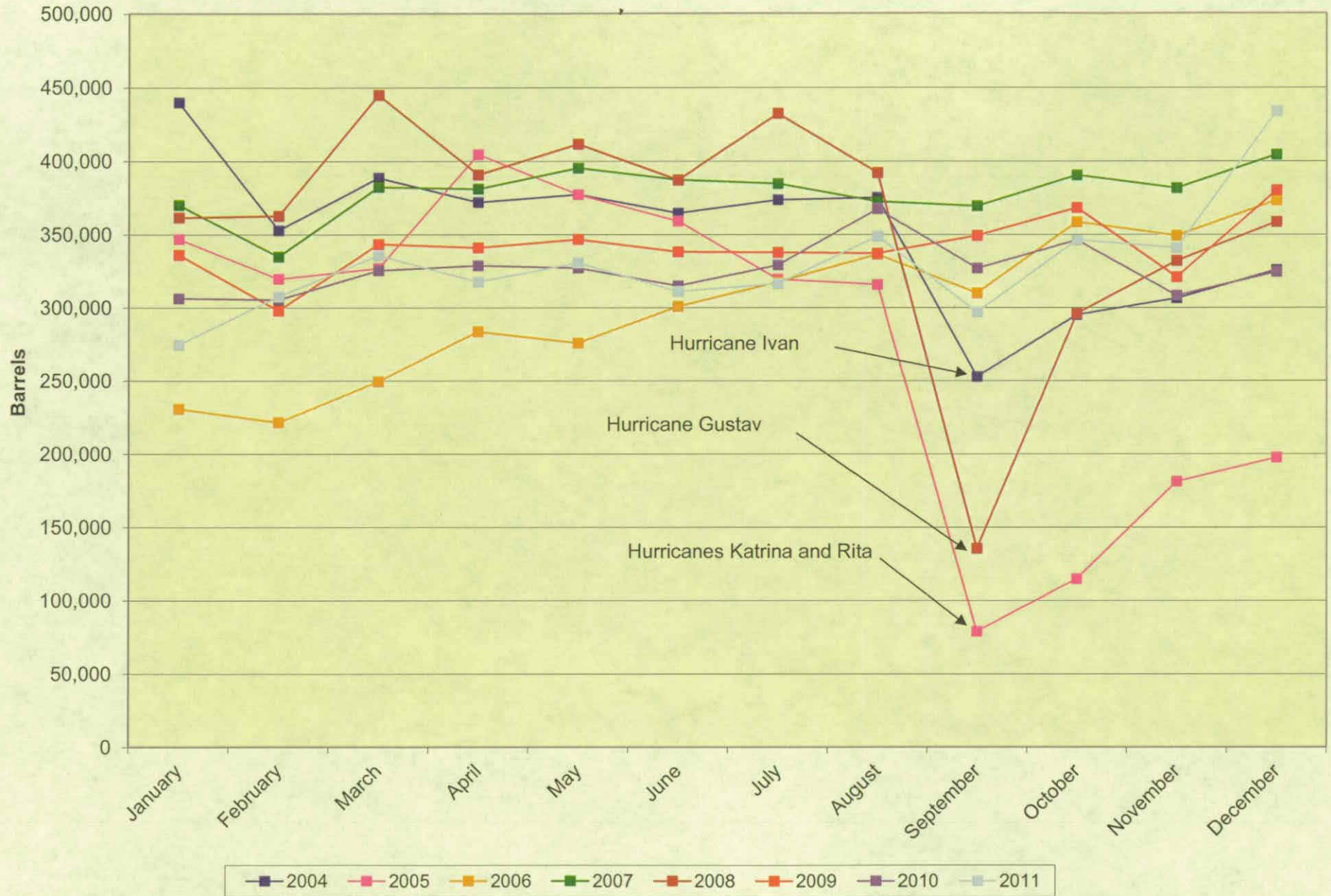
Royalty Collections by Disposition Month

| <u>Disposition Month</u> | <u>Oil</u> | <u>Gas</u> | <u>Plant Products</u> | <u>Total</u> |
|--------------------------|--------------------------|--------------------------|-------------------------|--------------------------|
| December 2010 | 25,638,709.98 | 14,915,600.00 | 2,375,755.53 | 42,930,065.51 |
| January 2011 | 22,660,709.35 | 15,428,088.77 | 2,432,835.53 | 40,521,633.65 |
| February 2011 | 25,461,335.11 | 13,455,365.30 | 2,241,834.25 | 41,158,534.66 |
| March 2011 | 33,490,926.76 | 14,789,566.53 | 2,488,573.53 | 50,769,066.82 |
| April 2011 | 34,146,543.55 | 15,408,339.98 | 2,821,119.56 | 52,376,003.09 |
| May 2011 | 33,730,398.57 | 14,842,647.55 | 2,814,835.17 | 51,387,881.29 |
| June 2011 | 30,351,454.64 | 14,846,233.85 | 3,024,016.57 | 48,221,705.06 |
| July 2011 | 32,302,810.08 | 15,478,181.89 | 3,086,883.50 | 50,867,875.47 |
| August 2011 | 31,728,789.91 | 15,216,804.45 | 3,199,453.58 | 50,145,047.94 |
| September 2011 | 28,450,381.88 | 12,884,716.38 | 2,610,308.42 | 43,945,406.68 |
| October 2011 | 34,917,125.20 | 12,900,054.63 | 2,604,078.47 | 50,421,258.30 |
| November 2011 | 36,344,290.13 | 11,797,620.97 | 2,578,975.75 | 50,720,886.85 |
| December 2011 | 35,429,795.81 | 11,403,631.88 | 2,446,935.74 | 49,280,363.43 |
| Total | \$ 404,653,270.97 | \$ 183,366,852.18 | \$ 34,725,605.60 | \$ 622,745,728.75 |
| % of Total | 65% | 29% | 6% | |

Oil Royalty by Disposition Month



Oil Volume by Disposition Month

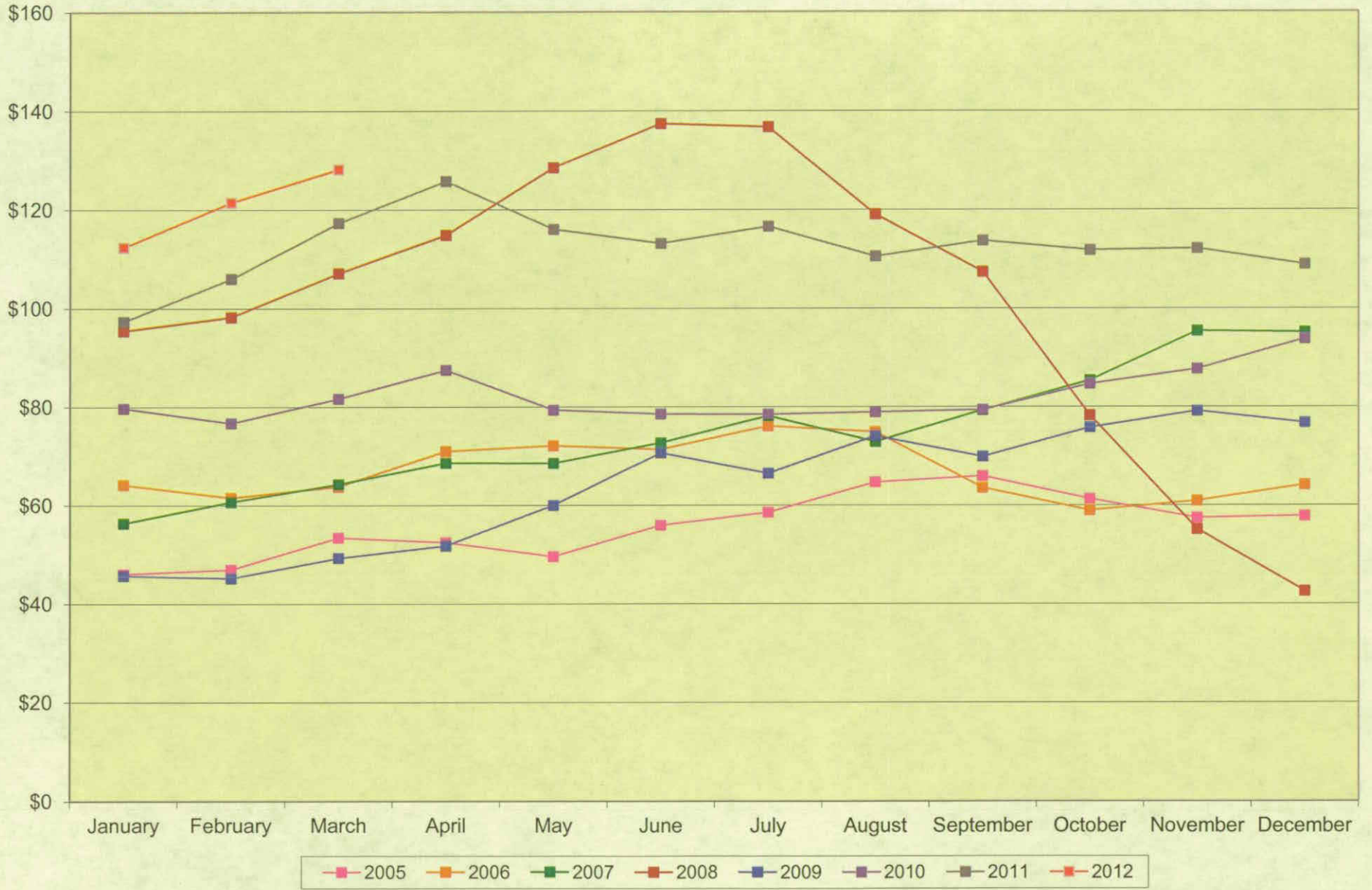


Oil Volume by Disposition Month

| Disposition Month | Barrels |
|-------------------|--------------|
| January 2004 | 439,528 9609 |
| February 2004 | 352,554 1607 |
| 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 | 361,179 5574 |
| February 2008 | 362,298 8717 |
| March 2008 | 444,589 5628 |
| April 2008 | 390,368 8131 |
| May 2008 | 411,263 3489 |
| June 2008 | 386,821 9964 |
| July 2008 | 432,048 8540 |
| August 2008 | 391,784 9250 |
| September 2008 | 135,416 9230 |
| October 2008 | 295,684 9290 |
| November 2008 | 331,775 5033 |
| December 2008 | 358,333 3403 |
| January 2009 | 335,731 0957 |
| February 2009 | 297,641 3225 |
| March 2009 | 343,038 3521 |
| April 2009 | 340,599 4269 |
| May 2009 | 346,360 4628 |
| June 2009 | 337,853 2071 |
| July 2009 | 337,453 9457 |
| August 2009 | 336,838 4815 |
| September 2009 | 348,971 8733 |
| October 2009 | 367,928 5554 |
| November 2009 | 320,637 7578 |
| December 2009 | 379,804 0689 |
| January 2010 | 306,118 1497 |
| February 2010 | 305,214 5056 |
| March 2010 | 325,196 0185 |
| April 2010 | 328,468 6344 |
| May 2010 | 326,897 7401 |
| June 2010 | 314,758 2017 |
| July 2010 | 328,916 5362 |
| August 2010 | 367,249 2452 |
| September 2010 | 326,725 6968 |
| October 2010 | 345,950 4687 |
| November 2010 | 308,129 9224 |
| December 2010 | 324,227 6313 |
| January 2011 | 274,508 5903 |
| February 2011 | 307,366 8380 |
| March 2011 | 335,404 8427 |
| April 2011 | 317,460 9226 |
| May 2011 | 330,444 4393 |
| June 2011 | 310,922 3709 |
| July 2011 | 316,219 7562 |
| August 2011 | 348,587 1021 |
| September 2011 | 296,793 1685 |
| October 2011 | 346,119 1653 |
| November 2011 | 340,597 4452 |
| December 2011 | 433,820 2550 |

Oil Prices

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

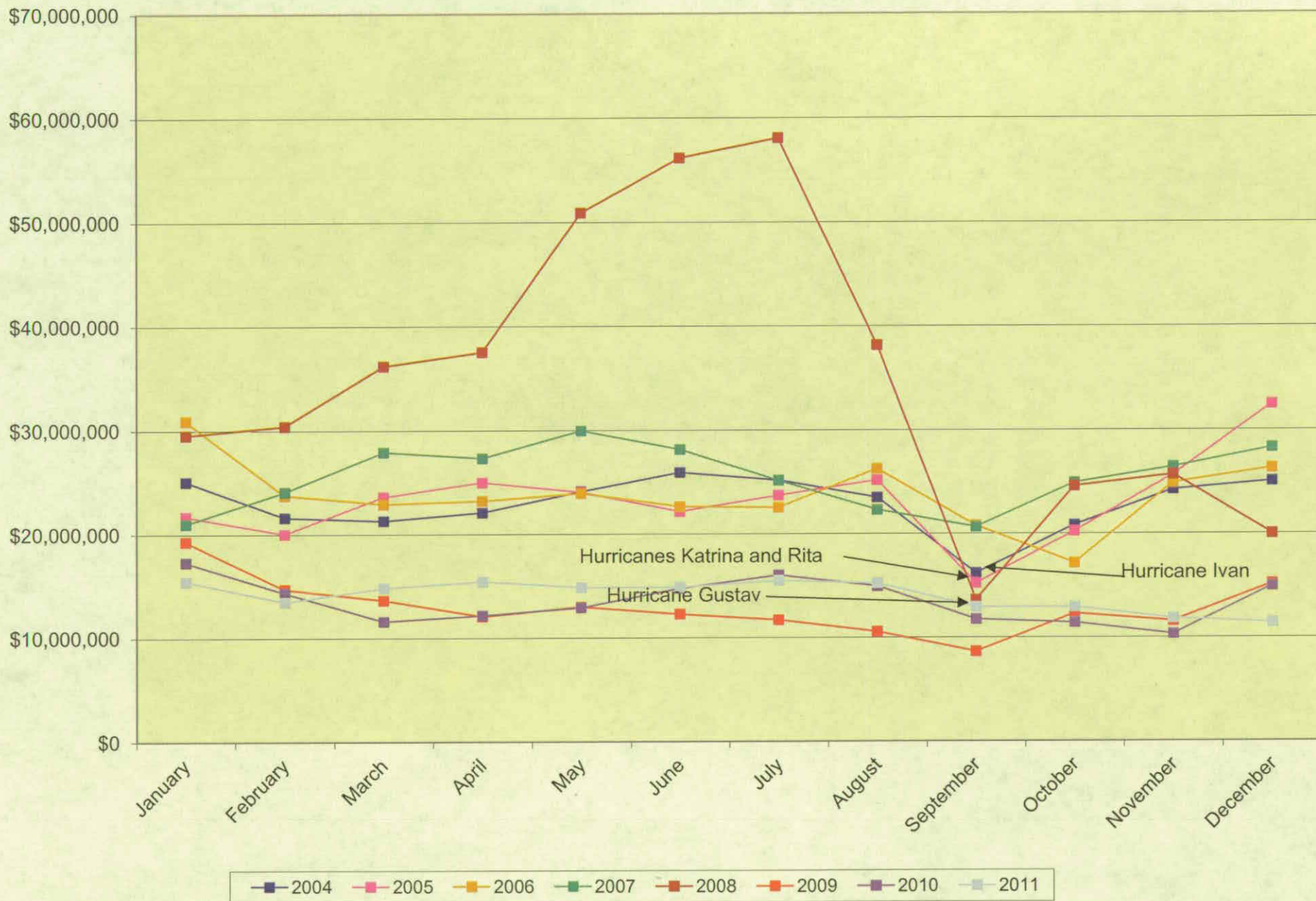


Monthly Average Oil Prices

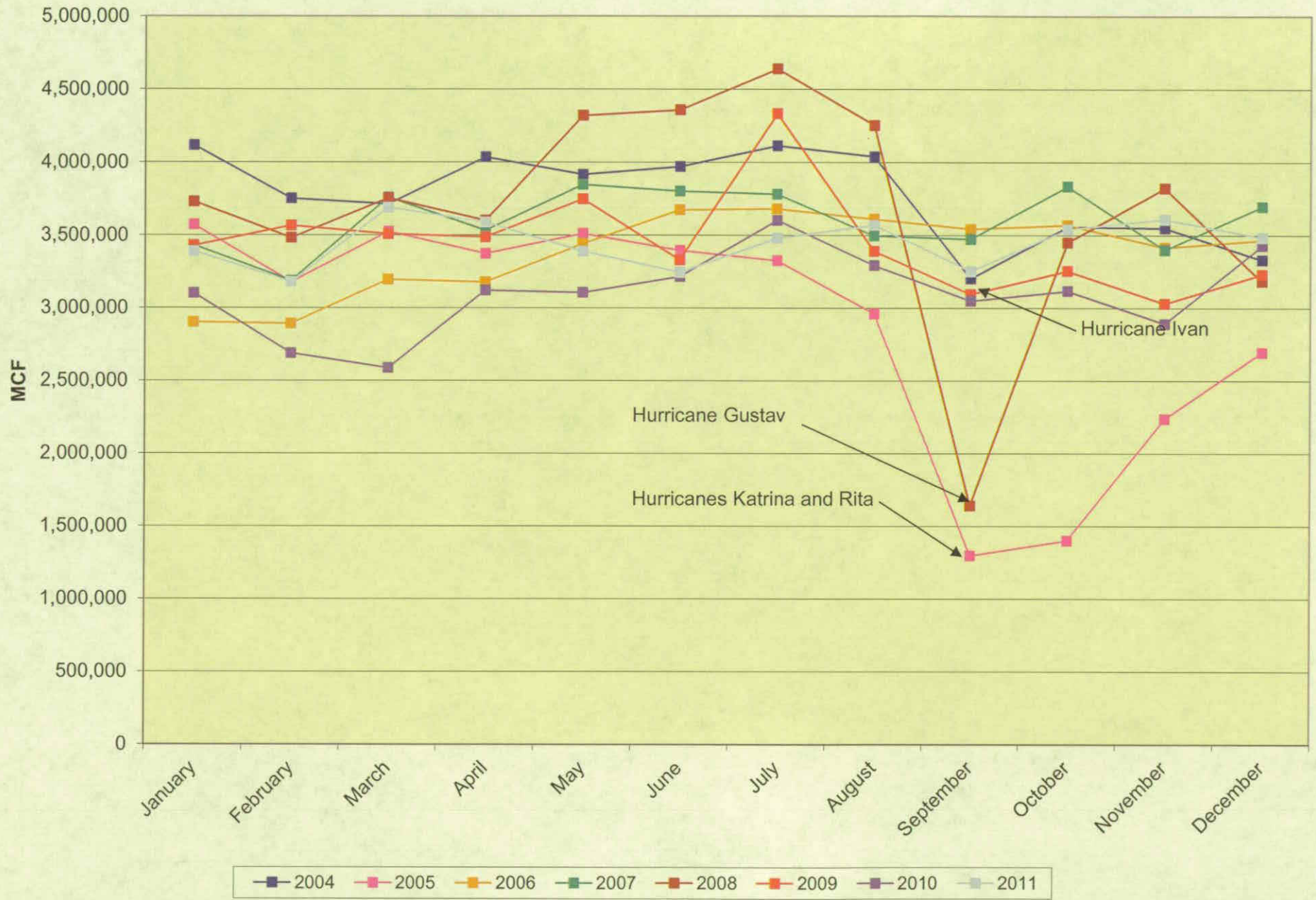
| | |
|--------|----------|
| Jan-04 | \$34.66 |
| Feb-04 | \$34.05 |
| Mar-04 | \$36.60 |
| Apr-04 | \$35.80 |
| May-04 | \$39.28 |
| Jun-04 | \$37.15 |
| Jul-04 | \$40.24 |
| Aug-04 | \$44.32 |
| Sep-04 | \$45.81 |
| Oct-04 | \$53.46 |
| Nov-04 | \$47.33 |
| Dec-04 | \$42.28 |
| Jan-05 | \$46.02 |
| 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 | \$78.68 |
| 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 |
| Apr-11 | \$125.72 |
| May-11 | \$116.01 |
| Jun-11 | \$113.12 |
| Jul-11 | \$116.56 |
| Aug-11 | \$110.49 |
| Sep-11 | \$113.68 |
| Oct-11 | \$111.75 |
| Nov-11 | \$112.07 |
| Dec-11 | \$108.85 |
| Jan-12 | \$112.30 |
| Feb-12 | \$121.41 |
| Mar-12 | \$128.12 |

Source: Average of HLS Oil Spot @ Empire Plaq Parsih \$/bbl and LLS Oil Spot @ St James Terminal \$/bbl

Gas Royalty by Disposition Month



Gas Volume by Disposition Month

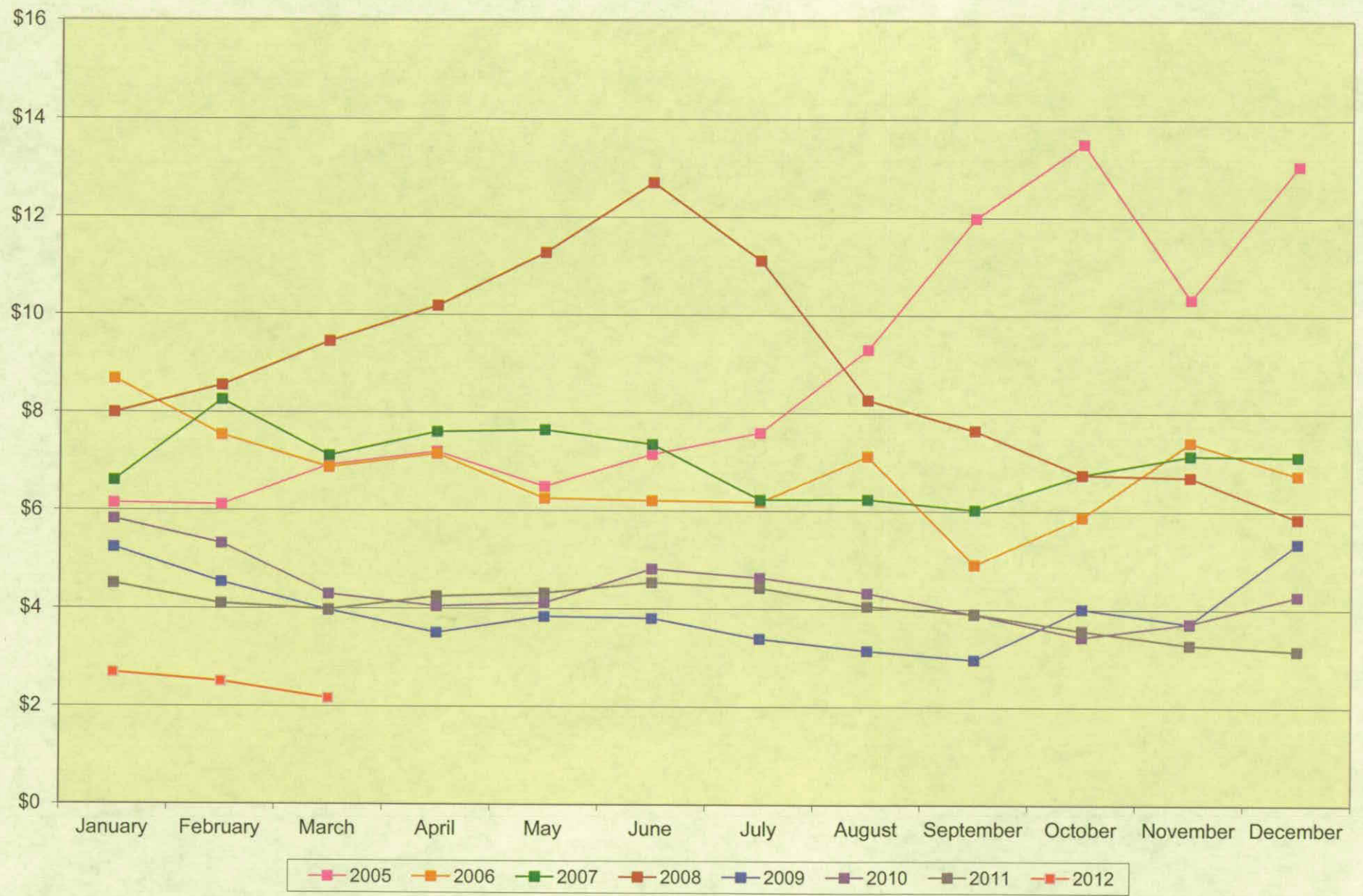


Gas Volume by Disposition Month

| <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 | 4,113,854 8443 |
| 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 | 3,524,875 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 4781 |
| 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 0780 |
| 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 | 3,781,748 8914 |
| 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 | 3,730,716 5949 |
| February 2008 | 3,481,908 9951 |
| March 2008 | 3,754,457 7083 |
| April 2008 | 3,601,036 3554 |
| May 2008 | 4,320,099 2011 |
| June 2008 | 4,358,968 2793 |
| July 2008 | 4,639,414 5827 |
| August 2008 | 4,254,048 2048 |
| September 2008 | 1,642,121 1777 |
| October 2008 | 3,450,697 9705 |
| November 2008 | 3,823,545 4159 |
| December 2008 | 3,184,282 9858 |
| January 2009 | 3,427,891 0919 |
| February 2009 | 3,566,472 6837 |
| March 2009 | 3,507,958 1814 |
| April 2009 | 3,487,744 8273 |
| May 2009 | 3,748,638 6997 |
| June 2009 | 3,331,027 1853 |
| July 2009 | 4,334,621 2496 |
| August 2009 | 3,392,563 7415 |
| September 2009 | 3,096,202 3619 |
| October 2009 | 3,255,874 6140 |
| November 2009 | 3,031,557 8461 |
| December 2009 | 3,232,255 0121 |
| January 2010 | 3,102,400 3441 |
| February 2010 | 2,689,328 2321 |
| March 2010 | 2,587,737 2108 |
| April 2010 | 3,121,437 7294 |
| May 2010 | 3,109,458 9764 |
| June 2010 | 3,218,110 6482 |
| July 2010 | 3,603,083 8288 |
| August 2010 | 3,293,383 6232 |
| September 2010 | 3,049,358 6261 |
| October 2010 | 3,117,302 2207 |
| November 2010 | 2,892,542 2213 |
| December 2010 | 3,429,043 9112 |
| January 2011 | 3,389,689 0430 |
| February 2011 | 3,178,015 3839 |
| March 2011 | 3,688,844 8142 |
| April 2011 | 3,587,690 8355 |
| May 2011 | 3,389,052 4343 |
| June 2011 | 3,244,881 8823 |
| July 2011 | 3,478,983 7813 |
| August 2011 | 3,570,109 1121 |
| September 2011 | 3,251,848 3525 |
| October 2011 | 3,541,388 3985 |
| November 2011 | 3,608,687 5589 |
| December 2011 | 3,483,704 9706 |

Natural Gas Prices

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

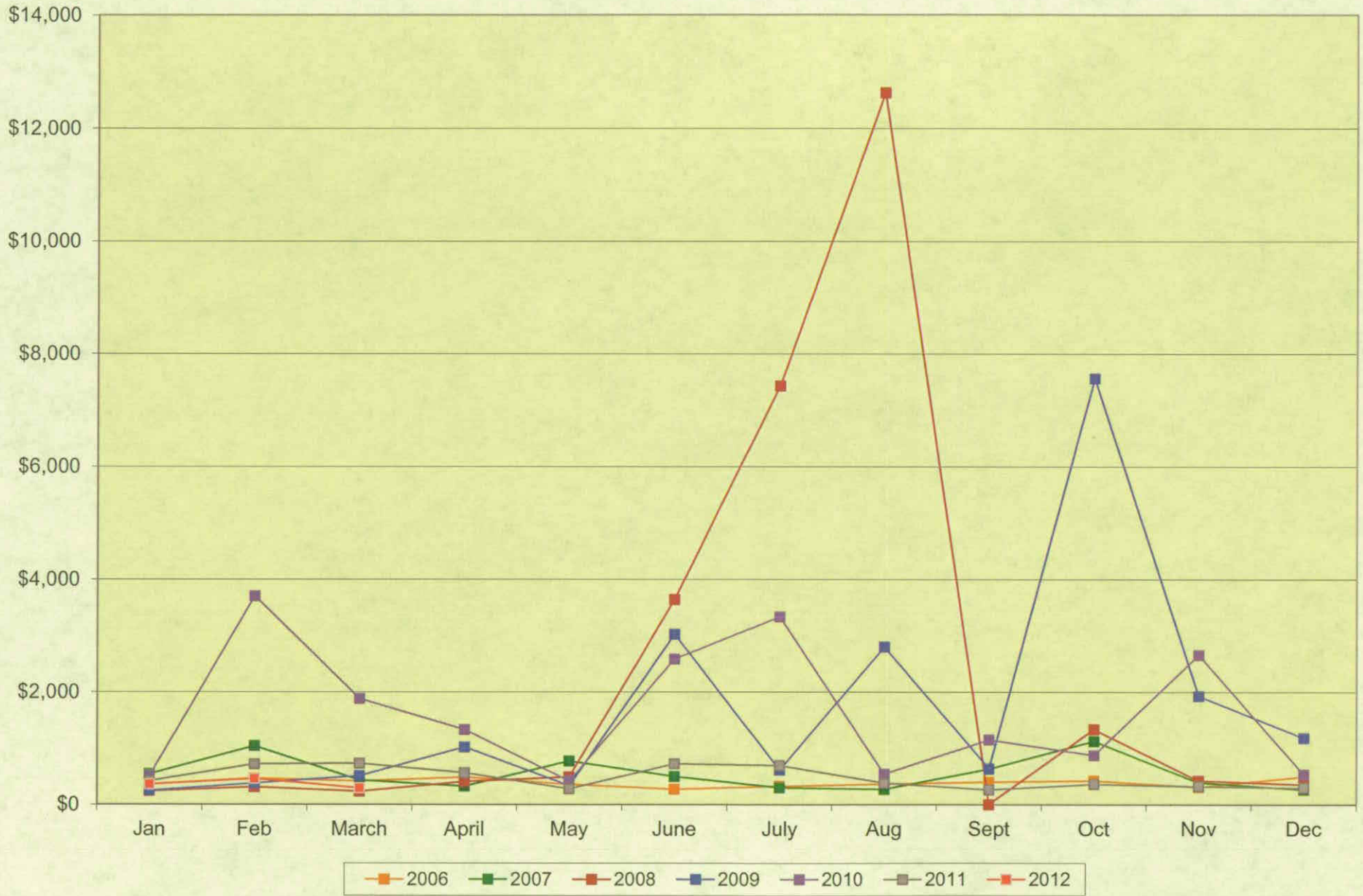


Monthly Average Gas Prices

| | |
|--------|-----------|
| 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 | \$12 700 |
| Jul-08 | \$11 110 |
| Aug-08 | \$8 260 |
| Sep-08 | \$7 640 |
| Oct-08 | \$6 740 |
| Nov-08 | \$6 690 |
| Dec-08 | \$5 840 |
| Jan-09 | \$5 240 |
| Feb-09 | \$4 530 |
| Mar-09 | \$3 960 |
| Apr-09 | \$3 500 |
| May-09 | \$3 630 |
| Jun-09 | \$3 800 |
| Jul-09 | \$3 380 |
| Aug-09 | \$3 140 |
| Sep-09 | \$2 960 |
| Oct-09 | \$4 000 |
| Nov-09 | \$3 700 |
| Dec-09 | \$5 340 |
| Jan-10 | \$5 820 |
| Feb-10 | \$5 320 |
| Mar-10 | \$4 290 |
| Apr-10 | \$4 040 |
| May-10 | \$4 110 |
| Jun-10 | \$4 810 |
| Jul-10 | \$4 630 |
| Aug-10 | \$4 320 |
| Sep-10 | \$3 890 |
| Oct-10 | \$3 430 |
| Nov-10 | \$3 710 |
| Dec-10 | \$4 260 |
| Jan-11 | \$4 500 |
| Feb-11 | \$4 090 |
| Mar-11 | \$3 970 |
| Apr-11 | \$4 240 |
| May-11 | \$4 310 |
| Jun-11 | \$4 530 |
| Jul-11 | \$4 420 |
| Aug-11 | \$4 050 |
| Sep-11 | \$3 900 |
| Oct-11 | \$3 560 |
| Nov-11 | \$3 270 |
| Dec-11 | \$3 150 |
| Jan-12 | \$2 680 |
| Feb-12 | \$2 500 |
| Mar-12 | \$2 160 |

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

Price Per Acre



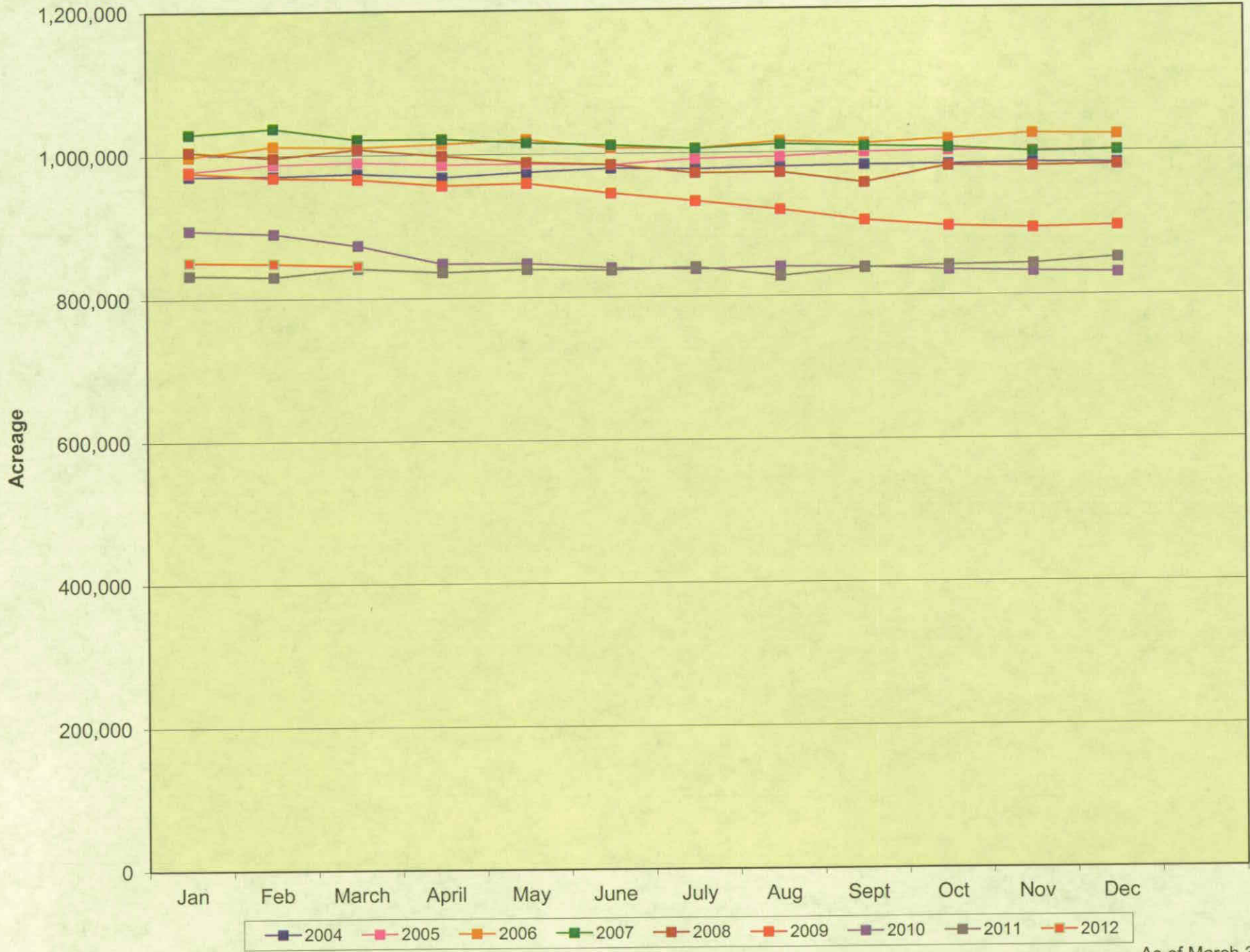
As of March 9, 2012 Lease Sale

Department of Natural Resources
Office of Mineral Resources
Lease Sale Statistics
For Calendar Years 2006, 2007, 2008, 2009, 2010, 2011 and 2012

| Month | No. of Tracts Nominated | No. of Acres Nominated | No. of Tracts with Bids | % of Nominated Tracts with Bids | No. of Leases | No. of Acres Leased | Total Bonuses | Price Per Acre |
|----------------|-------------------------|------------------------|-------------------------|---------------------------------|---------------|---------------------|-----------------|----------------|
| 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 |
| April 2011 | 42 | 20,698.055 | 20 | 47.6% | 21 | 4,149.700 | 2,332,301.70 | \$562.04 |
| May 2011 | 25 | 16,015.022 | 17 | 68.0% | 17 | 9,996.870 | 2,774,369.98 | 277.52 |
| June 2011 | 49 | 40,887.477 | 22 | 44.9% | 27 | 3,392.785 | 2,446,928.15 | 721.22 |
| July 2011 | 79 | 37,441.099 | 50 | 63.3% | 55 | 6,124.417 | 4,237,220.83 | 691.86 |
| August 2011 | 39 | 44,249.773 | 18 | 46.2% | 18 | 1,759.762 | 667,147.07 | 379.11 |
| September 2011 | 53 | 28,555.630 | 38 | 71.7% | 38 | 11,410.090 | 2,978,732.25 | 261.06 |
| October 2011 | 39 | 49,521.346 | 16 | 41.0% | 17 | 7,561.406 | 2,715,376.54 | 359.11 |
| November 2011 | 35 | 37,977.321 | 13 | 37.1% | 15 | 4,355.961 | 1,391,869.22 | 319.53 |
| December 2011 | 57 | 45,145.595 | 42 | 73.7% | 30 | 15,680.325 | 4,625,707.69 | 295.00 |
| January 2012 | 50 | 44,906.260 | 23 | 46.0% | 24 | 5,717.660 | 2,034,845.28 | 355.89 |
| February 2012 | 43 | 69,704.740 | 25 | 58.1% | 36 | 7,371.520 | 3,360,494.79 | 455.88 |
| March 2012 | 54 | 35,786.190 | 24 | 44.4% | 27 | 3,501.420 | 1,015,037.74 | 289.89 |

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

State Acreage Under Lease

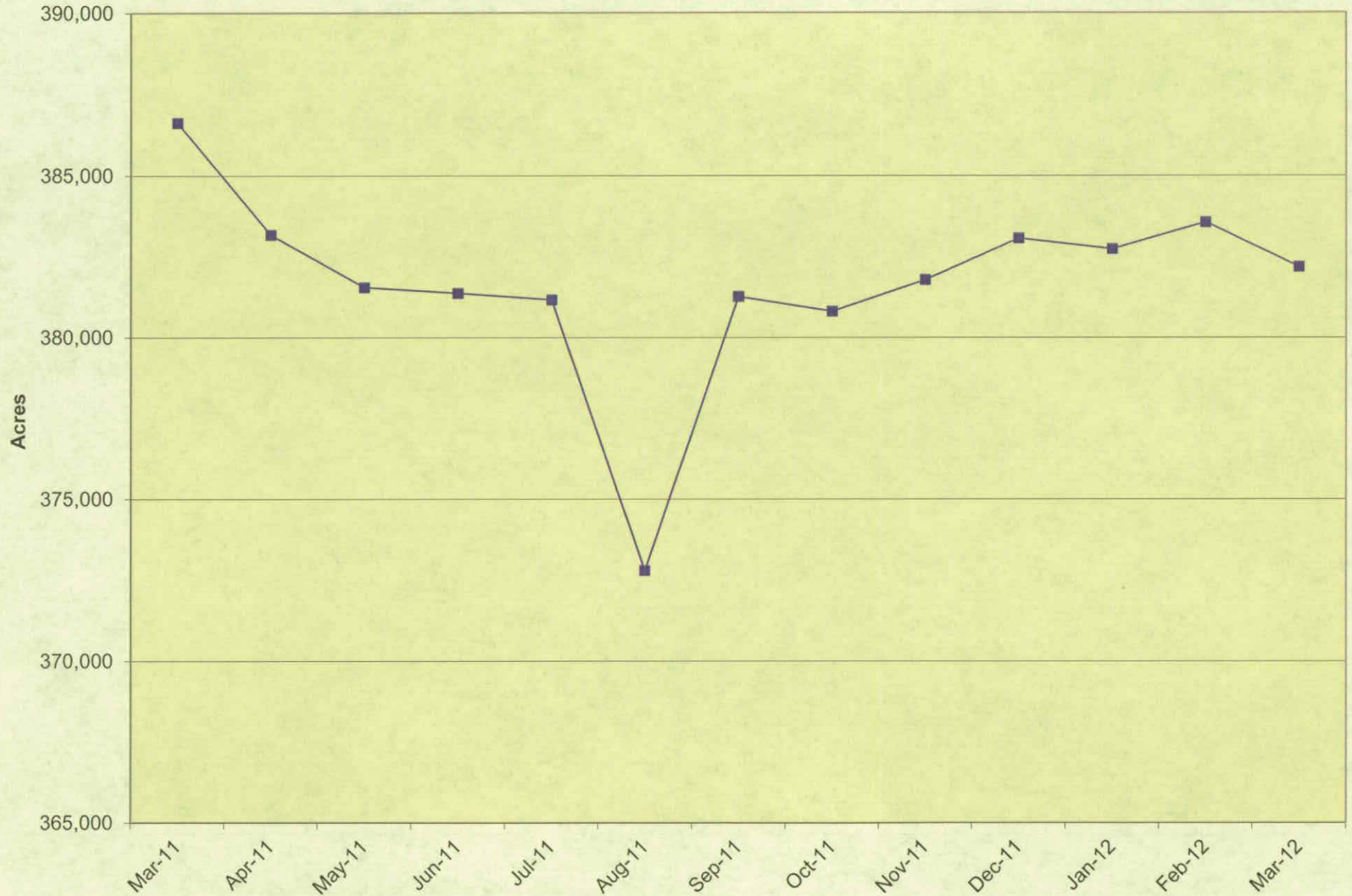


As of March 31, 2012

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 |
| April 2011 | 835,606 |
| May 2011 | 838,805 |
| June 2011 | 837,030 |
| July 2011 | 840,695 |
| August 2011 | 827,487 |
| September 2011 | 838,284 |
| October 2011 | 841,468 |
| November 2011 | 842,874 |
| December 2011 | 850,934 |
| January 2012 | 850,672 |
| February 2012 | 848,663 |
| March 2012 | 844,908 |

Productive Acres



Productive Acres

| <u>Month/Year</u> | <u>Acres</u> |
|-------------------|--------------|
| March 2011 | 386,613 |
| April 2011 | 383,160 |
| May 2011 | 381,538 |
| June 2011 | 381,360 |
| July 2011 | 381,156 |
| August 2011 | 372,779 |
| September 2011 | 381,254 |
| October 2011 | 380,799 |
| November 2011 | 381,773 |
| December 2011 | 383,054 |
| January 2012 | 382,725 |
| February 2012 | 383,551 |
| March 2012 | 382,172 |