

MINUTES

STATE MINERAL AND ENERGY BOARD

LEASE SALE AND BOARD MEETING

AUGUST 10, 2016

**OPENING OF BIDS
AUGUST 10, 2016**

A public meeting for the purpose of opening sealed bids was held on Wednesday, August 10, 2016, beginning at 8:30 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

David Boulet, Assistant Secretary of the Office of Mineral Resources
Stacey Talley, Deputy Assistant Secretary of the Office of Mineral Resources
Rachel Newman, Director-Mineral Income Division
Emile Fontenot, Assistant Director-Petroleum Lands Division
William Iturralde, Attorney-DNR Office of the Secretary

Mr. David Boulet 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. Boulet read the letter as follows:

August 10, 2016

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

Ladies and Gentlemen:

Certified proofs of publication have been received in the Office of Mineral Resources on behalf of the State Mineral and Energy Board for the State of Louisiana from the "Advocate," official journal for the State of Louisiana, and from the respective parish journals as evidence that Tract Nos. 44569 through 44582, 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)

Emile Fontenot
Assistant Director
Petroleum Lands Division

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

The following bids were then opened and read aloud to the assembled public by Mr. Emile Fontenot.

INLAND TRACTS

Tract 44573
(Portion – 42.000 acres)

Bidder	:	Castex Energy Partners, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$8,652.00
Annual Rental	:	\$4,326.00
Royalties	:	22.500% on oil and gas
	:	22.500% on other minerals
Additional Consideration	:	None

Tract 44574
(Portion – 22.000 acres)

Bidder	:	Castex Energy Partners, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$3,850.00
Annual Rental	:	\$1,925.00
Royalties	:	21.500% on oil and gas
	:	21.500% on other minerals
Additional Consideration	:	None

STATE AGENCY TRACTS

Tract 44582

Bidder	:	Coastal Land Services, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$329,948.91
Annual Rental	:	\$164,974.46
Royalties	:	22.500% on oil and gas
	:	22.500% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 8:37 a.m.

**REGULAR MEETING
AUGUST 10, 2016**

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, August 10, 2016**, beginning at 9:35 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

Mr. Thomas L. Arnold, Jr., Chairman, called the meeting to order. He then requested Mr. David W. Boulet, Assistant Secretary of the Office of Mineral Resources, to call the roll for the purpose of establishing a quorum.

Thomas L. Arnold, Jr., Chairman
W. Paul Segura, Jr., Vice-Chairman
Thomas F. Harris, DNR Secretary
Emile B. Cordaro
Theodore M. "Ted" Haik, Jr.
Carol R. LeBlanc
J. Todd Hollenshead
Robert D. Watkins
Gregory Carter
Johnny B. Bradberry
Rochelle A. Michaud-Dugas

The following member(s) of the Board was recorded as absent:
None

Mr. Boulet announced that eleven (11) members of the Board were present and that a quorum was established.

Also recorded as present were:

David W. Boulet - Assistant Secretary of the Office of Mineral Resources
Stacey Talley - Deputy Assistant Secretary of the Office of Mineral Resources
Christopher Lento - Assistant Attorney General
Rachel Newman - Director, Mineral Income Division
Jason Talbot – Geologist Supervisor, Geological & Engineering Division
Charles Bradbury – Engineer, Geological & Engineering Division
Emile Fontenot - Assistant Director, Petroleum Lands Division
Macy Dennis – Land Manager, Petroleum Lands Division
James Devitt - Deputy General Counsel, Department of Natural Resources

The Chairman stated that the first order of business was the approval of the July 13, 2016 Minutes. A motion was made by Mr. Haik to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Bradbury 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 Staff Reports and Resolutions. Upon motion of Mr. Segura, seconded by Mr. Hollenshead, the recommendations for the following respective Reports and Resolutions were unanimously adopted by the Board:

- a) Lease Review Report *
- b) Nomination and Tract Report *
- c) Audit Report *
- d) Legal and Title Controversy Report *
- e) Docket Review Report *

** Staff Reports and Resolutions will immediately follow this page*

(a) LEASE REVIEW REPORT

I. Geological and Engineering Staff Review

According to the SONRIS database, there were 1,411 active State Leases containing approximately 593,000 acres. Since the last Lease Review Board meeting, the Geological and Engineering Division reviewed 91 leases covering approximately 23,000 acres for lease maintenance and development issues.

II. Board Review

There were no state leases brought before the Board.

III. Report on actions exercised by the Staff under delegated authority

No objection to 29-E Waiver, LLOX, LLC, SL 21345 No. 2 Well, SN 249555, Manila Village Field, Jefferson Parish, Louisiana.

IV. Force Majeure

1. Sanchez Oil & Gas Corporation requested recognition of a force majeure condition affecting State Lease 1462, LaSalle Parish, Louisiana. Upon motion of Mr. Haik, seconded by Mr. Watkins, the Board voted to recognize the force majeure condition caused by early drawdown of Catahoula Lake water levels by the Corps of Engineers preventing the timely continuation of downhole reworking operations by Sanchez Oil & Gas Corporation to maintain and restore production to State Lease 1462, LaSalle Parish, Louisiana. The Board concurs with the force majeure recognition of the force majeure condition that existed beginning June 4, 2016 affecting State Lease 1462 and furthermore concurs with the Staff's stipulations and recommendation to require amendment of State Lease 1462 to include the current force majeure language and other lease amendments required by the Board.

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD Resolution #16-08-001

Upon motion of Mr. Haik, seconded by Mr. Watkins, the State Mineral and Energy Board offered and adopted the following resolution:

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

WHEREAS, on May 30, 2016, Sanchez Oil & Gas Corporation ("Sanchez") unsuccessfully performed downhole reworking operations on a well that maintained State Lease 1462;

WHEREAS, on June 4, 2016 Sanchez was prevented from continuing downhole reworking on a well that maintained State Lease 1462 located in Catahoula Lake, LaSalle Parish, Louisiana, due to the early drawdown of the lake by the Corps of Engineers (COE) suspending the 90 day continuous operations clause on day 5;

WHEREAS, State Lease 1462 does not contain force majeure language;

WHEREAS, the Office of Mineral Resources Staff ("Staff") recognized the force majeure condition under the authority of the Board's Force Majeure 2005 Policy ("Policy") and pursuant to the Policy, requested that Sanchez amend the lease to include the approved force majeure language and other required paragraphs and further stipulated:

1. Sanchez is required to submit monthly status reports on changes to the lake water levels.
2. Once water levels return to 34 feet at the COE - "Catahoula Lake @ Center of the Lake" water level sensor, Sanchez will have 85 days to establish downhole reworking or drilling operations to restore the lease to productive status.
3. Staff will revisit this matter at the November 9, 2016 Board meeting.


WHEREAS, the Board approved 2005 Force Majeure Policy authorized the Staff to recognized force majeure events, and;

WHEREAS, Sanchez has submitted the initial report timely and submitted a notarized affidavit attesting to the facts in this matter.

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 acknowledge the Office of Mineral Resources recognition of a force majeure condition caused by early drawdown of Catahoula Lake water levels by the Corps of Engineers preventing the timely continuation of downhole reworking operations by Sanchez Oil & Gas Corporation to maintain and restore production to State Lease 1462, LaSalle Parish, Louisiana. The Board concurs with the force majeure recognition of the force majeure condition that existed beginning June 4, 2016, affecting State Lease 1462. The Board furthermore concurs with the Staff's stipulations and recommendation to require amendment of State Lease 1462 to include the current force majeure language and the other lease amendments required by the Board.

CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary,
Louisiana State Mineral and Energy Board

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 23, 2016 3:22 PM

District Code 1 New Orleans- East

Get Review Date August 10, 2016

Well ID	Location	Operator	Production	Reserves	Notes
01212	POINTE A LA HACHE	VUG;DELACROIX	965	965	AUG AR 7/28/16 DP AR- AR - HBP - 2 UNITS, 3 VUS;;
01319	POINTE A LA HACHE	UL 3A RJ SUA;A J BESH EL ETUX 10/25/2005 462-F-3	63	63	AUG AR 7/28/16 DP AR- AR - HBP - 3 UNITS, 2 VUS;;
01349	QUARANTINE BAY	S-4 VUA;	426	661.48	AUG AR 7/28/16 DP AR- AR - HBP - 1 UNIT, WELLS SHUT IN, WRITING POD LETTER TO COX;;
17086	BAYOU BILOXI	399.336 05/21/2003	27.664	27.664	AUG AR 7/28/16 DP AR- AR - HBP - 1 UNIT;;
17088	BAYOU BILOXI	24.587 08/11/2005	9.413	9.413	AUG AR 7/28/16 DP AR- AR - HBP - 1 UNIT;;
17143	LAKE BORGNE	263.02 07/30/2003	96.4	96.4	AUG AR 7/28/16 DP AR- AR - HBP - 1 VU;;
17860	BRETON SOUND BLOCK 53	136.11 09/30/2014	387.59	387.59	AUG AR 7/28/16 DP AR- AR - HBP - 1 VU;;
17863	BRETON SOUND BLOCK 53 , MAIN PASS BLOCK 46	70.31 09/30/2014	194.35	194.35	AUG AR 7/28/16 DP AR - HBP - 1 VU;;
18194	CHANDELEUR SOUND BLOCK 71		270.85	270.85	AUG AR 7/28/16 DP AR - HBP - 1 SL WELL;;
18550	MAIN PASS BLOCK 46	VUC;SL 18550 06/11/2014	296.08	296.08	AUG AR 7/28/16 DP AR - HBP - 1 VU;;
18581	COQUILLE BAY	8.64 08/23/2007	12.68	12.68	AUG AR 7/28/16 DP AR - HBP - 1 UNIT;;
19677	SOUTHEAST PASS	239224-J-5 RB SUA;SL 19677-001 01/19/2009	0	264.766	AUG. AR 7/9/15 7/26/16 DP ROUTE SHEET, SL HAS EXPIRED DUE TO LAPSE IN PRODUCTION FROM J-5 RB SUA;SL 19677 OF GREATER THAN 90 DAYS, NO OTHER PROD AND NO DOWN HOLE WORK TO HOLD LEASE, TPIC CEASING ACTIVITY IN THE FIELD;; JMB HBP - 1 UNIT;;
20103	MAIN PASS BLOCK 35		0	40	AUG AR 7/28/16 DP AR - SL EXPIRED, NO PROD, ROUTE SHEET DONE 7/31/2014;;
21363	MAIN PASS BLOCK 35	VUA;SL 20482 05/14/2014	239.68	239.68	MAY PT 02/26/2017 AUG AR 7/28/16 DP AR - HBP - 1 VU;;

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 23, 2016 3:22 PM

District Code 1W New Orleans- West
 Get Review Date August 10, 2016

Parcel ID	Location	Description	Area (Acres)	Value	Assessment	Notes
02552	BURRWOOD	BURR T RA SU 11/16/2010 850-B 10-1187	128.4	333.2	AUG. AR 7/28/16 MS AR, LEASE HBP FROM UNIT BURR T RA SU	
03278	LAKE RACCOURCI	O R370 SUA;SL 15029 06/01/1997	238.56	238.56	AUG. AR 7/28/16 MS AR, LEASE HBP FROM UNIT VUB;LR UB	
03723	LAKE RACCOURCI	O R370 SUA;SL 15029 06/01/1997	217.83	217.83	AUG. AR 7/28/16 MS AR, LEASE HBP FROM UNIT VUB;LR UB	
04219	BAYOU HENRY	UMT SUM;WILBERT E 07/01/1976	2.36	2.36	AUG. AR 7/28/16 MS AR, LEASE HBP FROM UNIT L MT SUM	
05986	BAYOU BLEU	32.85 02/08/1984	12.15	12.15	AUG. AR 7/28/16 MS AR, LEASE HBP FROM UNIT CIB H 3 RC SUA	
09637	BOURG	104.26 05/28/1993	393.669	393.669	AUG. AR 7/28/16 MS AR, LEASE HBP FROM UNIT KBR C RA SUA	
12036	BAY BATISTE	211632-SL 12036 SWD- 002 05/12/1990	484.897	484.897	AUG. AR 7/28/16 MS AR, LEASE HBP FROM UNIT 28 A RA VUA	
12499	BAY BATISTE	219.46 05/31/1991	150.54	150.54	AUG. AR 7/28/16 MS AR, LEASE HBP FROM UNIT 28 A RA VUA	
13407	MANILA VILLAGE	7.97 01/13/2006	77.21	77.21	AUG. AR 7/28/16 MS AR, LEASE HBP FROM UNIT MV 29 RA SU	
14142	NAPOLEONVILLE	STRAY RA SUB;DUGAS-LEBLANC 06/15/1999 140-T	2.7	2.7	AUG. AR 7/28/16 MS AR, LEASE HBP FROM UNITS L CRIS II RD SUA AND STRAY RA SUB	
14534	SATURDAY ISLAND	223045-VUA;SL 14534- 005 05/10/1999	186.87	186.87	AUG. AR 7/28/16 MS AR, LEASE HBP FROM UNIT VUA AND LEASE WELLS	
16709	LITTLE LAKE	82.458 08/26/2002	97.389	97.389	AUG. AR 7/28/16 MS AR, LEASE HBP FROM UNIT VUA	
17140	BAYOU VILLARS		40	306.45	AUG. AR 7/28/16 MS AR, LEASE HBP LEASE WELL	
18603	BAY MARCHAND BLOCK 2 OFFSHORE		101.06	101.06	AUG. AR 7/28/16 MS AR, LEASE HBP LEASE WELL	
20609	BAYOU SORREL	9.07 06/25/2014	13.93	13.93	AUG. AR 7/28/16 MS AR, LEASE HBP FROM UNIT MARG H RB SUA;WILBERT LANDS	
20936	LAKE SALVADOR, WEST	SL 20936	313.302	313.302	AUG. AR 7/28/16 MS AR, LEASE HBP FROM UNIT CRIS I RL SUA	
20937	LAKE SALVADOR, WEST	CRIS I RL SUA;SL20937 05/27/2015 1543-A-15 15-333	100	100	AUG. AR 7/28/16 MS AR, LEASE HBP FROM UNIT CRIS I RL SUA	
21423			0	93.11	AUG. PT 5/14/17 7/28/16 MS AR, LEASE HELD BY RENTAL PAYMENT	

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 23, 2016 3:22 PM

District Code 2 Lafayette

Get Review Date August 10, 2016

Parcel ID	Count	Location	Acres	Value	Value	Notes
00301A	1	CAILLOU ISLAND	249537-86-73 RA SUA;SL 301-399 03/17/2016	120	515.74	AUG. AR 7/6/16 AW HBP IN LEASE WELL; 1 PRODUCING WELL
00301A	0	CAILLOU ISLAND	249537-86-73 RA SUA;SL 301-399 03/17/2016	2345	5363.48	AUG. AR 7/6/16 AW HBP IN 13 UNITS (12400 RA SUA, 86 RC SUA, 23-23 A-D RA SUA, 7700 RAB SU, 53C RA SU, 73 RBBIC SU, W1-W2 RA SUA, 14800 R098 SUA, L W MCCARTNEY, TB2G-6 RA SUA, 70 RB SUA, 70 RC SUA, 86-73 RA SUA); 24 PRODUCING WELLS
00334	0	SOUTH PASS BLOCK 24 , VERMILION BAY	1340.157 06/28/2005	2700	3021.018	AUG. AR 7/6/16 AW HBP IN LEASE WELLS; 6 PRODUCING WELLS
00346		GRAVEYARD ISLAND , LAKE VERRET, WEST	VU C;	132	300	AUG. AR 7/6/16 AW HBP IN 12 UNITS (G10 RA SUA, KO RA SU, G 6C RA SUA, LO RA SUE, C2A-L RA SUA, C4 RA SUA BO-B RA SUG, VUG, VUC, L RA SU, VUD, JL&S CO); 13 PRODUCING WELLS
00725		BAY JUNOP	14100 RA SUA;LL&E A 09/01/1997	361	409.78	OCT. 7/6/16 AW HBP IN 1 UNIT (VUC); PAYING SHUT-IN PAYMENTS DUE TO PIPELINE ISSUE
02856	0	CAILLOU ISLAND	247838-U-W1 RA SUA;SL 2856-013-ALT 04/26/2014	377	806	AUG. AR 7/6/16 AW HBP IN 2 UNITS (14800 R080 SUA & U-W1 RA SUA); 4 PRODUCING WELLS
03132		LAKE SAND, EAST	46.638 07/02/2004	85.649	85.649	AUG. AR 7/6/16 AW HBP IN 1 UNIT (RC 3 RA SUB); 1 PRODUCING WELL
03317		LAKE SAND	LSA ROB 5 RA SU 216-C-1	101	255.48	AUG. AR 7/6/16 AW HBP IN 2 UNITS (OP 1 RA SU & ROB 5 RA SU); 2 PRODUCING WELLS
05623		JEANERETTE	S B ROANE	14.654	48	AUG. AR 7/6/16 AW HBP IN 2 UNITS (VUA & VUC); 5 PRODUCING WELLS
10251		LAKE SAND, EAST	226688-VUA;SL 10251-001 01/04/2002	274.351	274.351	AUG. AR 7/6/16 AW HBP IN 1 UNIT (RC 3 RA SUB); 1 PRODUCING WELL
11233		PASS WILSON		212.92	212.92	AUG. AR 7/6/16 AW HBP IN LEASE WELL; 1 PRODUCING WELL
14520		MYETTE POINT, NW	551.524 07/14/2010	641.476	641.476	AUG. AR 7/6/16 AW HBP IN 1 UNIT (VUD); 1 PRODUCING WELL
14912		MYETTE POINT, NW	395.376 07/21/2010	148.524	148.524	AUG. AR 7/6/16 AW HBP IN 1 UNIT (VUD); 1 PRODUCING WELL
15785		BAY ST ELAINE	45.915 02/09/2009	7.093	7.093	AUG. AR 7/6/16 AW HBP IN 1 UNIT (VUB); 2 PRODUCING WELLS
16790		BAY ST ELAINE	242.979 10/13/2005	196.021	196.021	AUG. AR 7/6/16 AW HBP IN 1 UNIT (VUB); 2 PRODUCING WELLS

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 23, 2016 3:22 PM

District Code 2 Lafayette

Get Review Date August 10, 2016

Well ID	Well Name	Well Status	Original Production	Current Production	Notes
WELLS					
17423	PATTERSON	681.811 04/14/2003	7.189	7.189	AUG. AR 7/6/16 AW HBP IN 1 UNIT (R RA SUA); 1 PRODUCING WELL
19022	RABBIT ISLAND		210.71	210.71	AUG. AR 7/6/16 AW HBP IN LEASE WELL; 1 PRODUCING WELL - LOW PRODUCTION
20053	MURPHY LAKE	MARG V RA SUB;STOCKSTILL 07/12/1998 1056-A-3 88-368	14	14	AUG. AR 7/6/16 AW HBP IN 1 UNIT (MARG V RA SUB); 1 PRODUCING WELL
20904	PASS WILSON		40	152.89	AUG. AR 7/6/16 AW HBP IN LEASE WELL; 1 PRODUCING WELL
20920	DUSON	HET RA SUA;C J LEGER 07/22/2014 197-VV 14-375	2.981	9	AUG. AR 7/6/16 AW HBP IN 1 UNIT (HET RA SUA); 1 PRODUCING WELL
20924	BAYOU LONG	EOC-TUSC BL UDS SUA;J MIN LLC 07/02/2013 262-T-1 13-292	56.905	164	AUG. PT 5/9/17 7/6/16 AW HBP IN 1 UNIT (EOC-TUSC BL UDS SUA); 1 PRODUCING WELL
20925	BAYOU LONG	EOC-TUSC BL UDS SUA;J MIN LLC 07/02/2013 262-T-1 13-292	162.949	261	AUG. PT 5/9/17 7/6/16 AW HBP IN 1 UNIT (EOC-TUSC BL UDS SUA); 1 PRODUCING WELL
20929	BAYOU LONG	EOC-TUSC BL UDS SUA;J MIN LLC 07/02/2013 262-T-1 13-292	81.35	215	AUG. PT 5/9/17 7/6/16 AW HBP IN 1 UNIT (EOC-TUSC BL UDS SUA); 1 PRODUCING WELL
20930	BAYOU LONG	EOC-TUSC BL UDS SUA;J MIN LLC 07/02/2013 262-T-1 13-292	36.43	92	AUG. PT 5/9/17 7/6/16 AW HBP IN 1 UNIT (EOC-TUSC BL UDS SUA); 1 PRODUCING WELL
20946	LAKE BARRE	173.98 04/23/2015	188.88	188.88	AUG. AR 7/6/16 AW HBP IN 1 UNIT (VUA; SL 20946); 1 PRODUCING WELL
20960	BAYOU LONG	EOC-TUSC BL UDS SUA;J MIN LLC 07/02/2013 262-T-1 13-292	1.095	1.13	AUG. AR 7/6/16 AW HBP IN 1 UNIT (EOC-TUSC BL UDS SUA); 1 PRODUCING WELL

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 23, 2016 3:22 PM

District Code 3 Lake Charles- North

Get Review Date August 10, 2016

Parcel ID	Location	Acres	Original	Current	Notes
03366	CADDO PINE ISLAND		39	39	AUG. AR 7-6-16 SR AR - HBP 1 PROD UNIT LUW. 13 PROD WELLS
03987	CADDO PINE ISLAND		0	80	AUG. AR 7/6/16 SR SL HAS EXPIRED, DOCUMENTATION REC'D IN QUESTION;;
05933	ELM GROVE	LCV RA SU66;WILLIS 10/15/2002 361-E-71 02-645	50	50	AUG. AR 7/6/16 SR AR - HBP 4 PROD UNIT LUW'S. 38 PROD WELLS
06086	DANVILLE	HOSS A SUJJ;C N WALTON ET AL B 10/01/1979	40	40	AUG. AR 7/6/16 SR AR - 100 % HBP 1 PROD UNIT LUW. 1 PROD WELL
07028	CASPIANA	HA RA SU127;FRIERSON 12 H 10/06/2009 191-H-65 09-1086	39.41	39.41	AUG. AR 7/6/16 SR AR - 100 % HBP 3 PROD UNIT LUW'S. 19 PROD WELLS
10643	LONGWOOD	BOD RA SUQ;E T CURRIE A 08/01/1983	5	5	AUG. AR 7/6/16 SR AR - 100 % HBP 1 PROD UNIT LUW. 1 PROD WELL
10965	ELM GROVE	HA RA SU53;GARDNER 13 03/17/2009 361-L-26 09-299	69.11	101.19	AUG. AR 7/6/16 SR AR - 100 % HBP 6 PROD UNIT LUW'S. 25 PROD WELLS
13190	ELM GROVE	HA RA SUJ;ELM GROVE PLNTN 20 H 09/16/2008 361-L-5 08-1404	14.983	12.18	AUG. AR 7/6/16 SR AR - 100 % HBP 3 PROD UNIT LUW'S. 25 PROD WELLS
13966	UNIONVILLE	MCC RA SUA; J.C. COLVIN B 06/01/1991	27	27	AUG. AR 7/6/16 SR AR - 100 % HBP 3 PROD UNIT LUW'S. 5 PROD WELLS
15500	CHEMARD LAKE , RED RIVER-BULL BAYOU	HA RA SUB;RUFFIN 7 H 04/28/2009 700-G 09-452	40	40	AUG. AR 7/6/16 SR AR - 100 % HBP 4 PROD UNIT LUW'S. 8 PROD WELLS
16717	ELM GROVE	LCV RA SU63; 03/12/2013 361-E-593 13-100	169	169	AUG. AR 7/6/16 SR AR - 100 % HBP 10 PROD UNIT LUW'S. 39 PROD WELLS
16827	CATAHOULA LAKE	WX A RC SU117; 07/24/2012 773-F-20 12-464	17	17	AUG. AR 7/6/16 SR AR - 100 % HBP 1 PROD UNIT LUW. 2 PROD WELLS
17124	CASPIANA , SWAN LAKE , THORN LAKE	HA RA SUT;ANTROBUS 22-15-11 H 07/14/2009 691-C-10 09-752	36.886	36.886	AUG. AR 7/6/16 SR AR - 100 % HBP 4 PROD UNIT LUW'S 6 PROD WELLS
18182	ELM GROVE	HA RA SU94;FRIERSON 29 H 11/10/2009 361-L-66 09-1187	35.58	35.58	AUG. AR 7/6/16 SR AR - 100 % HBP 2 PROD UNIT LUW'S. 5 PROD WELLS
18635	CASPIANA	HA RB SUE;SMITHHEIRS 27-15-12H 05/28/2008 191-H-6	189.35	189.35	AUG. AR 7/6/16 SR AR - 100 % HBP 5 PROD UNIT LUW'S. 11 PROD WELLS

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 23, 2016 3:22 PM

District Code 3 Lake Charles- North

Get Review Date August 10, 2016

SR#	Location	Acres	Acres	Acres	Comments
18641	ELM GROVE	HA RA SUZZ;POWERS 21 H 01/27/2009 361-L-20 09-134	21	21	AUG. AR 7/6/16 SR AR - 100 % HBP 2 PROD UNIT LUW'S. 3 PROD WELLS
18951	CATAHOULA LAKE	179.59 07/15/2011	80	80	AUG. AR 7/6/16 SR AR - 100 % HBP 2 PROD UNIT LUW'S. 2 PROD WELLS
19768	RED RIVER-BULL BAYOU	HA RD SUDD;AWTBEGOOD 19-14-11H 04/27/2010 109-X-96 10-438	8.02	8.02	AUG. AR 7/6/16 SR AR - 100% HBP LEASE MAINTAINED BY 3 PROD UNIT LUW'S 11 PROD WELLS
19786	ELM GROVE	HA RA SU69;WILLIS ETAL 36 H 06/23/2009 361-L-40	90	90	AUG. AR VACANT STATE LANDS 7/6/16 SR AR - 100 % HBP 1 PROD UNIT LUW. 1 PROD WELL
19846	CONVERSE	HA RA SUC;BSM 31 H 04/07/2009 501-G 09-376	31.15	40	AUG. AR 7/6/16 SR AR - 100 % HBP 2 PROD UNIT LUW'S. 2 PROD WELLS
20141	RED RIVER-BULL BAYOU	HA RC SU11;CHK MIN 11-13-12 H 07/13/2010 109-X-108 10-753	15.65	15.65	AUG. AR TAX ADJUDICATED LAND 7/6/16 SR AR - 100 % HBP 1 PROD UNIT LUW. 1 PROD WELL.
20373	CONVERSE	HA RA SUO;SUSTAINABLE FST 11 H 04/07/2009 501-G 09-376	156	156	AUG. AR 7/6/16 SR AR - 100 % HBP 3 PROD UNIT LUW'S. 3 PROD WELLS
20404	KING HILL , REDOAK LAKE	158.32 10/19/2012	14.68	14.68	AUG. AR 7/6/16 SR AR - 100% HBP 2 PROD UNIT LUW'S. 2 PROD WELLS

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 23, 2016 3:22 PM

District Code 3S Lake Charles- South
 Get Review Date August 10, 2016

Account Number	Account Name	Account Balance	Number of Units	Unit Cost	Comments
04080	LITTLE PECAN LAKE	728.4 07/11/1979	113	292.6	AUG AR 7/28/16 DP AR - HBP - 1 UNIT, WRITING POD LETTER;;
04183	LITTLE PECAN LAKE	11900 RA SUA;MILLER 07/01/1990	66	304.6	AUG AR 7/28/16 DP AR - HBP - 1 UNIT, WRITING POD LETTER;;
07715	ELBA	5.365 07/09/2008	9.449	9.449	AUG AR 7/28/16 DP AR - HBP - 1 UNIT;;
13828	BRANCH	20.43 06/14/1996	2.57	2.57	AUG AR 7/28/16 DP AR - HBP - 1 UNIT;;
15155	NIBLETT BLUFF	295 03/30/1999	120	120	AUG AR 7/28/16 DP AR - HBP - 1 VU; 2 MONTHS NO PRODUCTION, CHECK AGAIN IN OCT.;;
15726	NIBLETT BLUFF	66 03/09/1999	15	15	AUG AR 7/28/16 DP AR - HBP - 1 VU; 2 MONTHS NO PRODUCTION, CHECK AGAIN IN OCT.;;
18155	PROFIT ISLAND	29 05/23/2007	20.892	20.892	AUG AR 7/28/16 DP AR - HBP - 1 UNIT;;
19095	SABINE LAKE, SOUTH		212.52	212.52	AUG AR 7/28/16 DP AR - HBP - 1 SL WELL;;
21422			0	111.16	AUG. PT 5/14/177/28/16 DP AR - HELD BY RENTAL MADE 5/13/16;;
90			15,817.001	22,651.248	

(b) NOMINATION AND TRACT REPORT

The Board heard the report of Mr. Emile Fontenot **presented at 9:43 a.m.** on Wednesday August 10, 2016 relative to nominations received in the Office of Mineral Resources for the October 12, 2016 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Harris**, duly seconded by **Mr. Bradberry**, the Board granted 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.

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Tracts to Be
Advertised for the
October 12, 2016
Lease Sale

Resolution #16-08-002
(NOMINATION AND TRACT REPORT)

WHEREAS, Mr. Emile Fontenot reported that 3 tracts had been nominated for the October 12, 2016 Mineral Lease Sale, and requests that same are to be advertised pending staff review;

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

That the State Mineral and Energy Board grant final approval to advertise all such tracts for the October 12, 2016 Mineral Lease Sale;

NOW, BE IT THEREFORE RESOLVED, that the State Mineral and Energy Board does hereby approve and authorize the advertising of all such tracts 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.

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 10th day of August 2016, 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.



David W. Boulet, Secretary
LOUISIANA STATE MINERAL AND ENERGY BOARD

(c) AUDIT REPORT

The first matter on the audit report was a request to exclude Chaparral Energy Inc. from the Fiscal Year 2017 audit schedule.

Upon recommendation of the staff and upon motion of Mr. Bradberry, seconded by Mr. Watkins, the Board voted unanimously to exclude Chaparral Energy Inc. from the Fiscal Year 2017 audit cycle.

The second matter on the audit report was a request to place Harvest Group, LLC on demand.

Upon recommendation of the staff and upon motion of Mr. Watkins, seconded by Mr. Hollenshead, the Board voted unanimously to approve the demand request.

The third matter on the audit report was a request to place Harvest Oil and Gas, LLC on demand.

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

The fourth matter on the audit report was staff report on the Halcon Resources Operating, Inc. Bankruptcy.

No action required.

The fifth matter on the audit report was the election of the August 2016 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.

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #16-08-003
(AUDIT COMMITTEE)

WHEREAS, pursuant to La. R.S. 30:136.A(1)(c), the Office of Mineral Resources (OMR) staff is authorized to audit information relevant to the computation of royalties including appropriate records, report or other information; and

WHEREAS, by State Mineral and Energy Board (Board) Resolution dated August 12, 2009, the Board authorized the OMR to conduct all appropriate and necessary audits of any party, lessee, operator and/or payor of a State lease, that has, or may, file for bankruptcy protection; and

WHEREAS, Chaparral Energy, Inc. filed Chapter 11 bankruptcy on May 9, 2016; and

WHEREAS, Chaparral Energy, Inc. was a payor of record from May 1997 through May 2013 during which time royalty payments totaled \$1,235,638.73; and

WHEREAS; the prior audit of Chaparral Energy, Inc. covered the period of January 2002 through December 2009 with no findings; and

WHEREAS; Chaparral Energy, Inc. has paid a total of \$16,562.22 since the audit; and

WHEREAS, OMR staff recommends Chaparral Energy, Inc. be removed from the 2017 audit cycle because no royalty is at risk; and

ON MOTION of Mr. Bradberry, seconded by Mr. Watkins, after discussion and careful consideration, the foregoing OMR Staff recommendations were offered and unanimously accepted by the Board.

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant that the audit of Chaparral Energy, Inc. be removed from the 2017 audit cycle because no royalty is at risk.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-08-004
(AUDIT COMMITTEE)**

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

WHEREAS, the State Mineral and Energy Board caused an audit to be performed of Harvest Group, LLC respecting the royalty payments under State Lease Nos. 1227, 1268, 11188, 11189, 15536, 16392, 16393, 16432, 16570, 16610, 16664, 16692, 16819, and 20433 in the Breton Sound Block 18, Breton Sound Block 32, Main Pass Block 21, Main Pass Block 25, and Main Pass Block 47 fields; and

WHEREAS, there are differences between Harvest Group, LLC and the Board regarding the amount of royalty due and interest and penalty charges due by Harvest Group, LLC; and

WHEREAS, the staff of the Office of Mineral Resources has been unable to resolve and settle the outstanding penalty due with Harvest Group, LLC,

NOW, BE IT THEREFORE RESOLVED that the State Mineral and Energy Board does hereby grant the following:

Jeff Landry, Attorney General of the State of Louisiana is hereby authorized to place formal demand upon Harvest Group, LLC and other related parties or parties associated with the leases pertaining to the audit, and further is authorized to take all appropriate action, including the filing of suit on behalf of the Board against Harvest Group, LLC and other current lessees for collection of all penalty, and all other remedies prescribed by law.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 10th day of August, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral Board and is now in full force and effect.



**David W. Boulet, Secretary
Louisiana State Mineral and Energy Board**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-08-005
(AUDIT COMMITTEE)**

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

WHEREAS, the State Mineral and Energy Board caused an audit to be performed of Harvest Oil and Gas, LLC respecting the royalty payments under State Lease Nos. 195, 335, 3762, 3763, 17165 and A0261 in the Coquille Bay, Grand Bay, Main Pass Block 47 and Vermilion Block 16 fields; and

WHEREAS, there are differences between Harvest Oil and Gas, LLC and the Board regarding the amount of royalty due and interest and penalty charges due by Harvest Oil and Gas, LLC; and

WHEREAS, the staff of the Office of Mineral Resources has been unable to resolve and settle the outstanding penalty due with Harvest Oil and Gas, LLC,

NOW, BE IT THEREFORE RESOLVED that the State Mineral and Energy Board does hereby grant the following:

Jeff Landry, Attorney General of the State of Louisiana is hereby authorized to place formal demand upon Harvest Oil and Gas, LLC and other related parties or parties associated with the leases pertaining to the audits, and further is authorized to take all appropriate action, including the filing of suit on behalf of the Board against Harvest Oil and Gas, LLC and other current lessees for collection of all penalty, and all other remedies prescribed by law.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 10th day of August, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral Board and is now in full force and effect.



**David W. Boulet, Secretary
Louisiana State Mineral and Energy Board**

(d) LEGAL AND TITLE CONTROVERSY REPORT

The first matter considered by the Board was a request by Staff for a one (1) month extension to properly advertise an Operating Agreement with Union Gas Operating Company covering 0.33 unleased state acres affecting former State Lease No. 21421 and former State Lease No. 20494, situated in the Harmony Church Field, Allen Parish, Louisiana.

Upon motion of Mr. Segura, seconded by Ms. LeBlanc, and by unanimous vote of the Board, the State Mineral and Energy Board granted a one (1) month extension to properly advertise an Operating Agreement with Union Gas Operating Company covering 0.33 unleased state acres affecting former State Lease No. 21421 and former State Lease No. 20494, situated in the Harmony Church Field, Allen Parish, Louisiana. No comments were made by the public.

The second matter considered by the Board was a request for final approval of an Operating Agreement by and between the State Mineral and Energy Board and Five-JAB, Inc., 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 22.00% before payout, increasing to 22.50% after payout, in and to the operating tract, covering a portion of former State Lease Nos. 19250 and 19950, containing 87.114 net acres, more or less, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-27.

Upon motion of Mr. Bradberry, seconded by Mr. Segura, and by unanimous vote of the Board, the State Mineral and Energy Board granted final approval of the Operating Agreement by and between the State Mineral and Energy Board and Five-JAB, Inc., on the Docket as Item No. 16-27. No comments were made by the public.

The third matter being considered by the Board was a request by Five-JAB, Inc. for a full waiver of the liquidated damage assessment in the amount of \$14,200.00 for the late release of State Lease No. 19250 and the liquidated damage assessment in the amount of \$14,200.00 for the late release of State Lease No. 19950, Plaquemines Parish, Louisiana.

Upon motion of Mr. Harris, seconded by Mr. Bradberry, and by unanimous vote of the Board, the State Mineral and Energy Board granted a full waiver of the liquidated damage assessment for the late releases of State Lease Nos. 19250 & 19950 totaling \$28,400.00. On request by the Board for public comment, comments were made by Raymond Beyt on behalf of Five-JAB, Inc.

The fourth matter being considered by the Board was a request for final approval of a Settlement and Release by and between the State of Louisiana, through the State Land Office, Division of Administration, the State Mineral and Energy Board and Earl

Willard Cook, et al, whereas said parties have reached a settlement in the matter entitled *Earl Willard Cook, Hope Henry Cook, Billy Cook, and Van R. Cook v. State of Louisiana through Louisiana State Land Office; John Lavin, Director of Louisiana State Land Office; and Petrohawk Properties, L.P.*, Docket No. 137192, Div. E, 26th Judicial District Court, Bossier Parish, State of Louisiana, affecting State Lease No. 20030, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-28.

Upon motion of Mr. Segura, seconded by Mr. Harris, and by unanimous vote of the Board, the State Mineral and Energy Board granted final approval of the Settlement and Release by and between the State of Louisiana, through the State Land Office, Division of Administration, the State Mineral and Energy Board and Earl Willard Cook, et al, on the Docket as Item No. 16-28. No comments were made by the public.

The fifth matter being considered by the Board was a request final approval of a Lease Amendment by and between the State Mineral and Energy Board and Ballard Exploration Company, Inc., whereas said parties desire to amend said lease to include the Force Majeure Provision, shut-in payment clause and other required clauses, affecting State Lease No. 18158, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-29.

Upon motion of Mr. Hollenshead, seconded by Mr. Cordaro, and by unanimous vote of the Board, the State Mineral and Energy Board granted final approval of the Lease Amendment by and between the State Mineral and Energy Board and Ballard Exploration Company, Inc., on the Docket as Item No. 16-29. No comments were made by the public.

The sixth matter being considered by the Board was a request for final approval of a Settlement and Release by and between the State of Louisiana, acting through the State Mineral and Energy Board, the Louisiana Department of Wildlife and Fisheries and William Elton Kennedy, whereas said parties have reached a settlement in the matter entitled *Chesapeake Operating, Inc. and Chesapeake Louisiana, L.P. v. The State Mineral and Energy Board of Louisiana, et al.*, Docket No. C-138840, Div. D, 26th Judicial District Court, Bossier Parish, affecting State Lease No. 20566, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-30.

Upon motion of Mr. Bradberry, seconded by Ms. LeBlanc, and by unanimous vote of the Board, the State Mineral and Energy Board granted final approval of the Settlement and Release by and between the State of Louisiana, acting through the State Mineral and Energy Board, the Louisiana Department of Wildlife and Fisheries and William Elton Kennedy, on the Docket as Item No. 16-30. No comments were made by the public.

The seventh matter being considered by the Board was a request by Talos Gulf Coast Onshore LLC for a one (1) year extension from August 10, 2016, for authority to escrow funds derived from production on acreage which is a title dispute

between the State and LL&E in the 86 RA SUA; SL 21092 #1, West Bay St. Elaine Field, Terrebonne Parish Louisiana; which authority was originally granted on July 9, 2014, extended on October 8, 2014, further extended on June 10, 2015, and on August 12, 2015 and on January 14, 2016, which extends through August 10, 2016.

Upon motion of Mr. Segura, seconded by Mr. Harris, and by unanimous vote of the Board, the State Mineral and Energy Board granted Talo's request for an extension of escrow authority, commencing August 10, 2016 and continuing through the August 9, 2017 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties additional time to further pursue resolution of the adverse claim, which extension is granted subject to the standard escrow procedure and requirements established by OMR. No comments were made by the public.

The eighth matter being considered by the Board was a request by the Attorney General's Office and Hilcorp Energy Company, et al for an extension of the escrow authority previously granted by the Board related to title disputed acreage within State Lease Nos. 724, 21150, 21152 and 21157, situated in the CIB CARST RA SUA, Four Isle Dome Field, Terrebonne Parish, Louisiana.

Upon motion of Mr. Bradberry, seconded by Mr. Watkins, and by unanimous vote of the Board, the State Mineral and Energy Board granted the Attorney General's Office and Hilcorp Energy Company, et al's request for an extension of escrow authority, commencing August 10, 2016 and continuing through the August 9, 2017 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties additional time to further pursue resolution of the adverse claim, which extension is granted subject to the standard escrow procedure and requirements established by OMR. No comments were made by the public.

The ninth matter being considered by the Board was a request by Mr. Theodore M. Haik, Jr., Member of the State Mineral and Energy Board, to consider making the State of Louisiana a secured creditor in bankruptcy proceedings for monies owned pursuant to an oil and gas lease and discussion of the following language suggested by the Attorney General's Office.

Upon motion of Mr. Haik, seconded by Mr. Segura, and by unanimous vote of the Board, Mr. Haik's requested that his original request be withdrawn and that the Attorney General's office provide a memorandum within the next sixty (60) days (by the October 12, 2016 meeting of the Mineral and Energy Board) to provide guidance to the Board in regard to this issue. No comments were made by the public.

The tenth matter being considered by the Board was a request by the Attorney General's office to extend the authority to escrow royalties granted to Shoreline Southeast, LLC on production from the Shoreline-LL&E No. 1 Well: Upper Discorbis 12

RA SUA, Bastian Bay Field, Plaquemines Parish, Louisiana, attributable to disputed acreage, subject to the conditions set forth in Resolution No. 15-06-016 and No. 16-01-016. The Upper DISC 12 RA SUA includes water bottoms covered by State Lease No. 21436 that are owned of record, and are claimed adversely to the State by The Louisiana Land and Exploration Company, LLC and Plaquemines Parish Government.

Upon motion of Mr. Watkins, seconded by Ms. LeBlanc, and by unanimous vote of the Board, the State Mineral and Energy Board granted the Attorney General's Office's request for an extension of escrow authority, commencing June 8, 2016 and continuing through the June 2017 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties additional time to further pursue resolution of the adverse claim, which extension should be granted subject to the standard escrow procedure and requirements established by OMR. No comments were made by the public.

The eleventh matter being considered by the Board was a request by Salute Resources, LLC (Salute) for a waiver of the liquidated damage assessment in the amount of \$3,600.00 for failure to timely renew its leaseholder registration regarding its interest in State Lease No. 21187.

Upon motion of Mr. Bradberry, seconded by Mr. Harris, and by unanimous vote of the Board, the State Mineral and Energy Board granted a full waiver of the liquidated damage assessment for the late release of State Lease No. 21187 in the amount of \$3,600.00. No comments were made by the public.

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Union Gas Operating Company
Operating Agreement
Former SL Nos. 21421 & 20494
Allen Parish, LA

RESOLUTION # 16-08-006

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, a request was made by Staff for a one (1) month extension to properly advertise an Operating Agreement with Union Gas Operating Company covering 0.33 unleased state acres affecting former State Lease No. 21421 and former State Lease No. 20494, situated in the Harmony Church Field, Allen Parish, Louisiana;

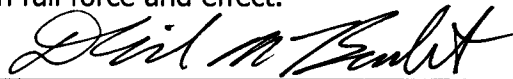
WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant a one (1) month extension to properly advertise an Operating Agreement with Union Gas Operating Company covering 0.33 unleased state acres affecting former State Lease No. 21421 and former State Lease No. 20494, situated in the Harmony Church Field, Allen Parish, Louisiana.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Five-JAB, Inc.
Operating Agreement
Former SL Nos. 19250 & 19950
Plaquemines Parish, LA
Docket Item No. 16-27

RESOLUTION # 16-08-007

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, a request was made for final approval of an Operating Agreement by and between the State Mineral and Energy Board and Five-JAB, Inc., 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 22.00% before payout, increasing to 22.50% after payout, in and to the operating tract, covering a portion of former State Lease Nos. 19250 and 19950, containing 87.114 net acres, more or less, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-27;

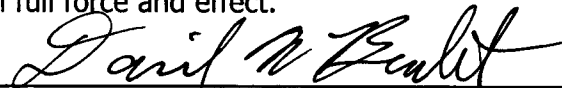
WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant final approval of the Operating Agreement by and between the State Mineral and Energy Board and Five-JAB, Inc., on the Docket as Item No. 16-27.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Five-JAB, Inc.
Request for Waiver of Liquidated
Damage Assessment
State Lease Nos. 19250 & 19950
Plaquemines Parish, Louisiana

RESOLUTION # 16-08-008

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, a request was made by Five-JAB, Inc. for a full waiver of the liquidated damage assessment in the amount of \$14,200.00 for the late release of State Lease No. 19250 and the liquidated damage assessment in the amount of \$14,200.00 for the late release of State Lease No. 19950, Plaquemines Parish, Louisiana;


WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant a full waiver of the liquidated damage assessment for the late releases of State Lease Nos. 19250 & 19950 totaling \$28,400.00.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Settlement and Release
Between the State and Earl
Willard Cook, et al
Affecting SL # 20030
Docket Item No. 16-28

RESOLUTION # 16-08-009

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, a request was made for final approval of a Settlement and Release by and between the State of Louisiana, through the State Land Office, Division of Administration, the State Mineral and Energy Board and Earl Willard Cook, et al, whereas said parties have reached a settlement in the matter entitled *Earl Willard Cook, Hope Henry Cook, Billy Cook, and Van R. Cook v. State of Louisiana through Louisiana State Land Office; John Lavin, Director of Louisiana State Land Office; and Petrohawk Properties, L.P.*, Docket No. 137192, Div. E, 26th Judicial District Court, Bossier Parish, State of Louisiana, affecting State Lease No. 20030, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-28;

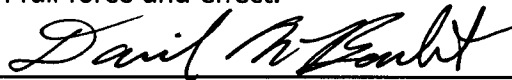
WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant final approval of the Settlement and Release by and between the State of Louisiana, through the State Land Office, Division of Administration, the State Mineral and Energy Board and Earl Willard Cook, et al, on the Docket as Item No. 16-28.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION # 16-08-010

(LEGAL & TITLE CONTROVERSY REPORT)

Lease Amendment
Ballard Exploration
Company, Inc.
Affecting SL # 18158
Docket Item No. 16-29

WHEREAS, a request was made for final approval of a Lease Amendment by and between the State Mineral and Energy Board and Ballard Exploration Company, Inc., whereas said parties desire to amend said lease to include the Force Majeure Provision, shut-in payment clause and other required clauses, affecting State Lease No. 18158, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-29;

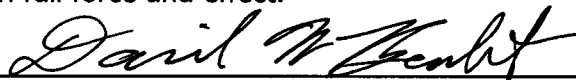
WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant final approval of the Lease Amendment by and between the State Mineral and Energy Board and Ballard Exploration Company, Inc., on the Docket as Item No. 16-29.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION # 16-08-011

(LEGAL & TITLE CONTROVERSY REPORT)

Settlement and Release
Louisiana Department of
Wildlife and Fisheries and
William Elton Kennedy
Affecting SL No. 20566
Docket Item No. 16-30

WHEREAS, a request was made for final approval of a Settlement and Release by and between the State of Louisiana, acting through the State Mineral and Energy Board, the Louisiana Department of Wildlife and Fisheries and William Elton Kennedy, whereas said parties have reached a settlement in the matter entitled Chesapeake Operating, Inc. and Chesapeake Louisiana, L.P. v. The State Mineral and Energy Board of Louisiana, et al., Docket No. C-138840, Div. D, 26th Judicial District Court, Bossier Parish, affecting State Lease No. 20566, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-30;

WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant final approval of the Settlement and Release by and between the State of Louisiana, acting through the State Mineral and Energy Board, the Louisiana Department of Wildlife and Fisheries and William Elton Kennedy, on the Docket as Item No. 16-30.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



**David W. Boulet, Secretary
State Mineral and Energy Board**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Talos Gulf Coast Onshore LLC
ESCROW EXTENSION
State Lease No. 21092

RESOLUTION # 16-08-012
(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:121, the State Mineral and Energy Board (Board) shall administer the State of Louisiana's (State) proprietary interest in the minerals in and upon the lands and water bottoms belonging to the State or the title to which is in the public trust; and

WHEREAS, pursuant to La. R.S. 30:124, the Board has authority to lease such lands and water bottoms for the development and production of minerals, oil, gas or alternative energy sources; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State, and is authorized to take any action necessary to protect the interests of the State and enter into agreements or amend leases in the manner most beneficial to the State; and

WHEREAS, disputes regarding the ownership of minerals to which the State claims title periodically occur and Lessees are required to promptly notify the Office of Mineral Resources (OMR) of adverse claims by any individual or entity not a party to a State Lease; and

WHEREAS, by Resolution #15-06-016, dated June 10, 2015, the Board continued the practice of permitting Lessees to request authority to escrow royalties on title disputed lands under lease by the State; and

WHEREAS, on June 16, 2014, GCER Onshore, LLC (Lessee) notified OMR that a *bona fide* dispute exists due to an adverse claim regarding the ownership or title to all or a portion of the premises under lease by the State within the 86 RA SUA Unit affecting State Lease No. 21092 in Terrebonne Parish, Louisiana, and requested authorization to deposit the royalty payments due on the production attributable to the disputed acreage into an escrow account in lieu of making such payments directly to OMR as required by the State Lease; and

WHEREAS, the Board, by Resolution dated July 9, 2014, granted Lessee authority to escrow royalty payments for a period of ninety (90) days from that date; and

WHEREAS, the Board, by Resolution dated October 8, 2014, granted Lessee an extension of this escrow authority for a fixed term of one hundred eight (180) days from that date; and

WHEREAS, the Board, by Resolution No. 15-06-013, dated June 10, 2015, granted Lessee an extension of this escrow authority for a fixed term of one hundred twenty (120) days, retroactive to April 7, 2015, and continuing through August 4, 2015; and

WHEREAS, the Board, by Resolution No. 15-08-019, dated August 12, 2015, granted Lessee an extension of this escrow authority commencing August 4, 2015 and continuing through the February 2016 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month); and

WHEREAS, the Board, by Resolution No. 16-02-006, dated February 10, 2016, granted Lessee an extension of this escrow authority commencing February 10, 2016 and continuing through the August 10, 2016 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month); and

Resolution #16-08-012
(Legal & Title Controversy)

WHEREAS, on June 16, 2016, Talos Gulf Coast Onshore LLC (successor to GCER Onshore, LLC) requested a one (1) year extension of the previously granted escrow authority to afford the interested parties additional time to negotiate an amicable resolution of the adverse claim; and

WHEREAS, in response to this request for an extension of the escrow authority previously granted, OMR Staff offered the following recommendation for consideration by the Board:

That the State Mineral and Energy Board approve Lessee's request for an extension of escrow authority, commencing August 10, 2016 and continuing through the August 9, 2017 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties additional time to further pursue resolution of the adverse claim, which extension should be granted subject to the standard escrow procedure and requirements established by OMR.

ON MOTION of Mr. Segura, seconded by Mr. Harris, after discussion and careful consideration, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED that Lessee's request for a one (1) year extension of the escrow authority previously granted by Resolution #16-02-006, dated February 10, 2016, is hereby approved.

BE IT FURTHER RESOLVED:

- 1) Lessee is hereby authorized to suspend the direct payment of royalties to OMR on the disputed acreage related to the 86 RA SUA Unit affecting State Lease No. 21092 in Terrebonne Parish, Louisiana;
- 2) The escrow authority extended hereby is effective August 10, 2016 and continuing through the August 9, 2017 Board meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties additional time to resolve the adverse claim;
- 3) The escrow authority extended hereby is contingent upon Lessee's continued compliance with the standard escrow procedure and requirements established by OMR;
- 4) The deposit of royalties into the escrow account shall be accepted by the Board as the royalty payments required by the State Lease, and Lessee shall not be held in default of payment of its royalty obligation owed the State as long as deposits continue to be timely and properly made as required by the State Lease into the escrow account; and
- 5) The Board reserves the right to audit the royalty payments deposited into the escrow account and further reserves all audit rights authorized by the State Lease.

BE IT FURTHER RESOLVED:

- 1) Lessee shall continue to maintain a separate, interest bearing escrow account at a FDIC insured financial institution having a presence in the State of Louisiana;
- 2) Throughout the extended escrow period, Lessee shall continue to timely provide fully completed SR-9 Reports (and any other requested documents) to OMR;
- 3) Throughout the extended escrow period, Lessee shall continue to timely deposit the properly calculated and reported royalty payments attributable to the disputed acreage into the escrow account;
- 4) Throughout the extended escrow period, Lessee shall continue to provide documentation (copies of deposited checks, deposit receipts or monthly bank statements) of the timely deposit of royalty payments into the escrow account;
- 5) Throughout the extended escrow period, Lessee shall continue to cooperate, in good faith, with OMR's efforts to negotiate a royalty sharing agreement or other amicable resolution of the title dispute with the adverse claimant(s);

Resolution #16-08-012
(Legal & Title Controversy)

- 6) If the ownership/title dispute is amicably resolved prior to expiration of the extended escrow period, the royalty payments on deposit and interest thereon accumulating in the escrow account shall be timely distributed in accordance with the negotiated resolution;
- 7) If the ownership/title dispute is not amicably resolved prior to expiration of the authorized escrow extension, Lessee shall, within fifteen (15) calendar days of expiration:
 - a) Resume direct payment of royalties to OMR and transfer all royalty payments, including interest, on deposit in the escrow account to OMR; or
 - b) Invoke a concursus proceeding, transfer all royalty payments, including interest, on deposit in the escrow account into the Registry of the Court and continue the direct payment of royalties into the Registry of the Court through adjudication of the dispute;
- 8) Lessee shall not transfer nor release any funds, including interest, on deposit in the escrow account authorized by this Resolution without the knowledge and written approval of OMR; and
- 9) All charges and expenses in connection with the creation and maintenance of the escrow account authorized hereby are to be borne by Lessee.

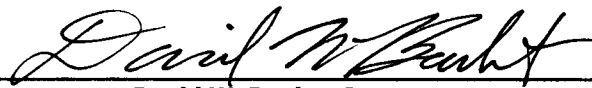
BE IT FURTHER RESOLVED that Lessee is obligated to continue to strictly comply with the requirements applicable to the original and extended escrow authority in accordance with the requirements set forth herein and as required by OMR. Lessee's failure to:

- 1) Timely create the escrow account; or
- 2) Timely deposit royalty payments into the escrow account; or
- 3) Timely provide required reports and documentary proof of deposits; or
- 4) Timely invoke a concursus proceeding or resume direct payment of royalties to OMR upon expiration of the escrow authority;

may result in the escrow authority granted hereby being rendered null and void *ab initio* by the Board, thus subjecting Lessee to the penalties and interest authorized by law and the State Lease.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.



**David W. Boulet, Secretary
State Mineral and Energy Board**

Resolution #16-08-012
(Legal & Title Controversy)

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Hilcorp Energy Company et al
Escrow Extension
State Lease Nos. 724, 21150,
21152 & 21157

RESOLUTION # 16-08-013 (LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:121, the State Mineral and Energy Board (Board) shall administer the State of Louisiana's (State) proprietary interest in the minerals in and upon the lands and water bottoms belonging to the State or the title to which is in the public trust; and

WHEREAS, pursuant to La. R.S. 30:124, the Board has authority to lease such lands and water bottoms for the development and production of minerals, oil, gas or alternative energy sources; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State, and is authorized to take any action necessary to protect the interests of the State and enter into agreements or amend leases in the manner most beneficial to the State; and

WHEREAS, disputes regarding the ownership of minerals to which the State claims title periodically occur and Lessees are required to promptly notify the Office of Mineral Resources (OMR) of adverse claims by any individual or entity not a party to a State Lease; and

WHEREAS, by Resolution #15-06-016, dated June 10, 2015, the Board continued the practice of permitting Lessees to request authority to escrow royalties on title disputed lands under lease by the State; and

WHEREAS, May 5, 2014, Hilcorp Energy Company and other working interest owners (Lessees) notified the Office of Mineral Resources (OMR) that a *bona fide* dispute exists as a result of an adverse claim by an individual or entity not a party to the existing lease agreements regarding the ownership or title to all or a portion of the premises under lease by the State of Louisiana (State) within the CIB CARST RA SUA Unit affecting State Lease Nos. 724, 21150, 21152 and 21157, Four Isle Dome Field, Terrebonne Parish, Louisiana, and requested authorization to deposit the royalty payments due on the production attributable to the disputed acreage into an escrow account in lieu of making such payments directly to OMR as required by the State Leases; and

WHEREAS, the State Mineral and Energy Board (Board), by Resolution dated May 14, 2014, granted Lessees authority to escrow royalty payments for a period of ninety (90) days from that date; and

WHEREAS, the Board, by Resolution dated August 13, 2014, granted Lessees an extension of this escrow authority for a period not to exceed November 12, 2014; and

WHEREAS, the Board, by Resolution dated November, 12, 2014, granted Lessees a second extension of this escrow authority for a period of one hundred eighty (180) days from that date; and

WHEREAS, the Board, by Resolution dated June 10, 2015, granted Lessees a third extension of this escrow authority for a period of one hundred twenty (120) days effective May 12, 2015 and continuing through September 8, 2015; and

WHEREAS, the Board, by Resolution No. 15-08-020, dated August 12, 2015, granted Lessee an extension of this escrow authority commencing August 12, 2015 and continuing through the February 2016 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month); and

WHEREAS, the Board, by Resolution No. 16-02-007, dated February 10, 2016, granted Lessee an extension of this escrow authority commencing February 10, 2016 and continuing through the August 10, 2016 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month); and

Resolution #16-08-013
(Legal & Title Controversy)

WHEREAS, on August 3, 2016, the Attorney General's office and Hilcorp Energy Company, et al requested an extension of the previously granted escrow authority to afford the interested parties additional time to negotiate an amicable resolution of the adverse claim; and

WHEREAS, in response to this request for an extension of the escrow authority previously granted, OMR Staff offered the following recommendation for consideration by the Board:

That the State Mineral and Energy Board approve this request for an extension of escrow authority, commencing August 10, 2016 and continuing through the December 14, 2016 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties additional time to further pursue resolution of the adverse claim, which extension should be granted subject to the standard escrow procedure and requirements established by OMR.

ON MOTION of Mr. Bradbury, seconded by Mr. Watkins, after discussion and careful consideration, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED that Lessee's request for extension of the escrow authority previously granted by Resolution #16-02-007, dated February 10, 2016, is hereby approved.

BE IT FURTHER RESOLVED:

- 1) Lessee is hereby authorized to suspend the direct payment of royalties to OMR on the disputed acreage related to the title disputed acreage within State Lease Nos. 724, 21150, 21152 and 21157 situated within the CIB CARST RA SUA Unit, Four Isle Dome Field, Terrebonne Parish, Louisiana;
- 2) The escrow authority extended hereby is effective August 10, 2016 and continuing through the December 14, 2016 Board meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties additional time to resolve the adverse claim;
- 3) The escrow authority extended hereby is contingent upon Lessee's continued compliance with the standard escrow procedure and requirements established by OMR;
- 4) The deposit of royalties into the escrow account shall be accepted by the Board as the royalty payments required by the State Lease, and Lessee shall not be held in default of payment of its royalty obligation owed the State as long as deposits continue to be timely and properly made as required by the State Lease into the escrow account; and
- 5) The Board reserves the right to audit the royalty payments deposited into the escrow account and further reserves all audit rights authorized by the State Lease.

BE IT FURTHER RESOLVED:

- 1) Lessee shall continue to maintain a separate, interest bearing escrow account at a FDIC insured financial institution having a presence in the State of Louisiana;
- 2) Throughout the extended escrow period, Lessee shall continue to timely provide fully completed SR-9 Reports (and any other requested documents) to OMR;
- 3) Throughout the extended escrow period, Lessee shall continue to timely deposit the properly calculated and reported royalty payments attributable to the disputed acreage into the escrow account;
- 4) Throughout the extended escrow period, Lessee shall continue to provide documentation (copies of deposited checks, deposit receipts or monthly bank statements) of the timely deposit of royalty payments into the escrow account;
- 5) Throughout the extended escrow period, Lessee shall continue to cooperate, in good faith, with OMR's efforts to negotiate a royalty sharing agreement or other amicable resolution of the title dispute with the adverse claimant(s);

Resolution #16-08-013
(Legal & Title Controversy)

- 6) If the ownership/title dispute is amicably resolved prior to expiration of the extended escrow period, the royalty payments on deposit and interest thereon accumulating in the escrow account shall be timely distributed in accordance with the negotiated resolution;
- 7) If the ownership/title dispute is not amicably resolved prior to expiration of the authorized escrow extension, Lessee shall, within fifteen (15) calendar days of expiration:
 - a) Resume direct payment of royalties to OMR and transfer all royalty payments, including interest, on deposit in the escrow account to OMR; or
 - b) Invoke a concursus proceeding, transfer all royalty payments, including interest, on deposit in the escrow account into the Registry of the Court and continue the direct payment of royalties into the Registry of the Court through adjudication of the dispute;
- 8) Lessee shall not transfer nor release any funds, including interest, on deposit in the escrow account authorized by this Resolution without the knowledge and written approval of OMR; and
- 9) All charges and expenses in connection with the creation and maintenance of the escrow account authorized hereby are to be borne by Lessee.

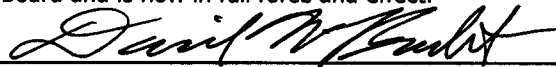
BE IT FURTHER RESOLVED that Lessee is obligated to continue to strictly comply with the requirements applicable to the original and extended escrow authority in accordance with the requirements set forth herein and as required by OMR. Lessee's failure to:

- 1) Timely create the escrow account; or
- 2) Timely deposit royalty payments into the escrow account; or
- 3) Timely provide required reports and documentary proof of deposits; or
- 4) Timely invoke a concursus proceeding or resume direct payment of royalties to OMR upon expiration of the escrow authority;

may result in the escrow authority granted hereby being rendered null and void *ab initio* by the Board, thus subjecting Lessee to the penalties and interest authorized by law and the State Lease.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.



**David W. Boulet, Secretary
State Mineral and Energy Board**

Resolution #16-08-013
(Legal & Title Controversy)

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

State Mineral and
Energy Board Request

RESOLUTION # 16-08-014

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, a request was made by Mr. Theodore M. Haik, Jr., Member of the State Mineral and Energy Board, to consider making the State of Louisiana a secured creditor in bankruptcy proceedings for monies owned pursuant to an oil and gas lease and discussion of language suggested by the Attorney General's Office;

WHEREAS, Mr. Haik recommended that his request be withdrawn and requested that the Attorney General's office instead provide a memorandum within the next sixty (60) days (by the October 12, 2016 meeting of the Mineral and Energy Board) to provide guidance to the Board in regard to this issue;

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

NOW THEREFORE, BE IT RESOLVED that the Attorney General's office provide a memorandum within the next sixty (60) days (by the October 12, 2016 meeting of the Mineral and Energy Board) to provide guidance to the Board in regard to this issue.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Shoreline Southeast LLC
ESCROW EXTENSION
State Lease No. 21436

RESOLUTION # 16-08-015
(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:121, the State Mineral and Energy Board (Board) shall administer the State of Louisiana's (State) proprietary interest in the minerals in and upon the lands and water bottoms belonging to the State or the title to which is in the public trust; and

WHEREAS, pursuant to La. R.S. 30:124, the Board has authority to lease such lands and water bottoms for the development and production of minerals, oil, gas or alternative energy sources; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State, and is authorized to take any action necessary to protect the interests of the State and enter into agreements or amend leases in the manner most beneficial to the State; and

WHEREAS, disputes regarding the ownership of minerals to which the State claims title periodically occur and Lessees are required to promptly notify the Office of Mineral Resources (OMR) of adverse claims by any individual or entity not a party to a State Lease; and

WHEREAS, by Resolution #15-06-016, dated June 10, 2015, the Board continued the practice of permitting Lessees to request authority to escrow royalties on title disputed lands under lease by the State; and

WHEREAS, on August 5, 2015, Shoreline Southeast LLC (Lessee) notified OMR that a *bona fide* dispute exists due to an adverse claim regarding the ownership or title to all or a portion of the premises under lease by the State related to the N RF SUA, L DISC 12 RA SUA, and DISC 12 RE SUA Units, Bastian Bay Field, affecting State Lease No. 21436 in Plaquemines Parish, Louisiana, and requested authorization to deposit the royalty payments due on the production attributable to the disputed acreage into an escrow account in lieu of making such payments directly to OMR as required by the State Lease; and

WHEREAS, in response to this notice and request, by Resolution #15-08-017, dated August 12, 2015, the Board granted Lessee's request for escrow authority commencing August 12, 2015 and continuing through the February 2016 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties time to evaluate and resolve the adverse claim; and

WHEREAS, the Board, by Resolution No. 16-02-005, granted Lessees an extension of this escrow authority commencing February 10, 2016 and continuing through the June 8, 2016 Board meeting (or the date of the next meeting of the Board thereafter, should it not meet that month); and

WHEREAS, on August 5, 2016, the Attorney General's office and Lessee requested an extension of the previously granted escrow authority to afford the interested parties additional time to negotiate an amicable resolution of the adverse claim; and

WHEREAS, in response to this request for an extension of the escrow authority previously granted, OMR Staff offered the following recommendation for consideration by the Board:

Resolution #16-08-015
(Legal & Title Controversy)

That the State Mineral and Energy Board approve this request for an extension of escrow authority, commencing June 8, 2016 and continuing through the June 2017 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties additional time to further pursue resolution of the adverse claim, which extension should be granted subject to the standard escrow procedure and requirements established by OMR.

ON MOTION of Mr. Watkins, seconded by Ms. LeBlanc, after discussion and careful consideration, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED that Lessee's request for extension of the escrow authority previously granted by Resolution #16-02-005, dated February 10, 2016, is hereby approved.

BE IT FURTHER RESOLVED:

- 1) Lessee is hereby authorized to suspend the direct payment of royalties to OMR on the disputed acreage related to the N RF SUA, L DISC 12 RA SUA, and DISC 12 RE SUA Units, Bastian Bay Field, affecting State Lease No. 21436 in Plaquemines Parish, Louisiana;
- 2) The escrow authority extended hereby is effective June 8, 2016 and continuing through the June 2017 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties additional time to resolve the adverse claim;
- 3) The escrow authority extended hereby is contingent upon Lessee's continued compliance with the standard escrow procedure and requirements established by OMR;
- 4) The deposit of royalties into the escrow account shall be accepted by the Board as the royalty payments required by the State Lease, and Lessee shall not be held in default of payment of its royalty obligation owed the State as long as deposits continue to be timely and properly made as required by the State Lease into the escrow account; and
- 5) The Board reserves the right to audit the royalty payments deposited into the escrow account and further reserves all audit rights authorized by the State Lease.

BE IT FURTHER RESOLVED:

- 1) Lessee shall continue to maintain a separate, interest bearing escrow account at a FDIC insured financial institution having a presence in the State of Louisiana;
- 2) Throughout the extended escrow period, Lessee shall continue to timely provide fully completed SR-9 Reports (and any other requested documents) to OMR;
- 3) Throughout the extended escrow period, Lessee shall continue to timely deposit the properly calculated and reported royalty payments attributable to the disputed acreage into the escrow account;
- 4) Throughout the extended escrow period, Lessee shall continue to provide documentation (copies of deposited checks, deposit receipts or monthly bank statements) of the timely deposit of royalty payments into the escrow account;
- 5) Throughout the extended escrow period, Lessee shall continue to cooperate, in good faith, with OMR's efforts to negotiate a royalty sharing agreement or other amicable resolution of the title dispute with the adverse claimant(s);
- 6) If the ownership/title dispute is amicably resolved prior to expiration of the extended escrow period, the royalty payments on deposit and interest thereon accumulating in the escrow account shall be timely distributed in accordance with the negotiated resolution;
- 7) If the ownership/title dispute is not amicably resolved prior to expiration of the authorized escrow extension, Lessee shall, within fifteen (15) calendar days of expiration:

Resolution #16-08-015
(Legal & Title Controversy)

- a) Resume direct payment of royalties to OMR and transfer all royalty payments, including interest, on deposit in the escrow account to OMR; or
 - b) Invoke a concursus proceeding, transfer all royalty payments, including interest, on deposit in the escrow account into the Registry of the Court and continue the direct payment of royalties into the Registry of the Court through adjudication of the dispute;
- 8) Lessee shall not transfer nor release any funds, including interest, on deposit in the escrow account authorized by this Resolution without the knowledge and written approval of OMR; and
 - 9) All charges and expenses in connection with the creation and maintenance of the escrow account authorized hereby are to be borne by Lessee.

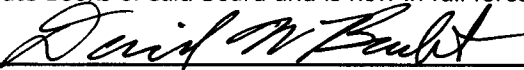
BE IT FURTHER RESOLVED that Lessee is obligated to continue to strictly comply with the requirements applicable to the original and extended escrow authority in accordance with the requirements set forth herein and as required by OMR. Lessee's failure to:

- 1) Timely create the escrow account; or
- 2) Timely deposit royalty payments into the escrow account; or
- 3) Timely provide required reports and documentary proof of deposits; or
- 4) Timely invoke a concursus proceeding or resume direct payment of royalties to OMR upon expiration of the escrow authority;

may result in the escrow authority granted hereby being rendered null and void *ab initio* by the Board, thus subjecting Lessee to the penalties and interest authorized by law and the State Lease.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

Resolution #16-08-015
(Legal & Title Controversy)

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Salute Resources, LLC
State Lease No. 21187
Waiver of Liquidated
Damage Assessment

RESOLUTION # 16-08-016

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, a request was made by Salute Resources, LLC (Salute) for a waiver of the liquidated damage assessment in the amount of \$3,600.00 for failure to timely renew its leaseholder registration regarding its interest in State Lease No. 21187;

WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant a full waiver of the liquidated damage assessment for the late release of State Lease No. 21187 in the amount of \$3,600.00.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

(e) DOCKET REPORT

The Board heard the report of Macy Dennis on Wednesday, August 10, 2016, relative to the following:

- Category A: State Agency Leases
There were no items received for this category

- Category B: State Lease Transfers.
Docket Item Nos. 1 through 18

- Category C: Department of Wildlife & Fisheries State Agency Lease Transfers
There were no items of this category

- Category D: Advertised Proposals
Docket Item Nos. 16-26, 16-27, 16-27, 16-28, 16-29 and 16-30

for the August 10, 2016 Mineral Lease Sale. Based upon the staff's recommendation, on motion of *Mr. Segura*, duly seconded by *Mr. Hollenshead*, the Board voted unanimously to accept the following recommendations:

- Category B: State Lease Transfers
Approve Docket Item Nos. 1 through 18

- Category D: Advertise Proposals
Defer Docket Item No. 16-26 upon recommendation of the Legal and Title Controversy Review.
Approve Docket Item Nos. 16-27 through 16-30 upon recommendation of the Legal and Title Controversy Review.

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-018 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 1 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from Bechtel Exploration Company, Martex Exploration, Inc, Renish Corporation and BME Oil & Gas Company to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease No 17339, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-019 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 2 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from Big Hit Resources, Inc. to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease No. 17339, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-020 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 3 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from Gulfstream Properties, L L C to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease No. 17339, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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



David W Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-021 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from J & S Program 2006 L.P to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease No. 17339, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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


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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-022 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from James M. Hancock, Jr to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease No 17339, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-023 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 6 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from Prometheus Development, Inc to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease No 17339, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-024 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 7 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from Patrick L. Donohue Petroleum Properties, Inc. to Samson Exploration, LLC, of all of Assignor's right, title and interest in and to State Lease No 21664, Assumption Parish, Louisiana, with further particulars being stipulated in the instrument.

Samson Exploration, 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 or Deputy Assistant Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-025 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 8 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from Patrick L. Donohue Petroleum Properties, Inc. to Samson Exploration, LLC, of all of Assignor's right, title and interest in and to State Lease No. 21667, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument

Samson Exploration, 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 or Deputy Assistant Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-026 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 9 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from Patrick L. Donohue Petroleum Properties, Inc. to Samson Exploration, LLC, of all of Assignor's right, title and interest in and to State Lease No. 21668, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument

Samson Exploration, 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, sublessee 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 or Deputy Assistant Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-027 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 10 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from Cypress Energy Corporation to Munoco Company L C , of all of Assignor's right, title and interest in and to State Lease No 21625, Catahoula and Concordia Parishes, Louisiana, with further particulars being stipulated in the instrument

Munoco Company, 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 or Deputy Assistant Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-08-028
(DOCKET)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from Paxton Oil Company, LLC to Viking Royalty Fund, LLC, of all of Assignor's right, title and interest in and to State Lease No. 18930 and Operating Agreement "A0307", Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

Viking Royalty Fund, 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,

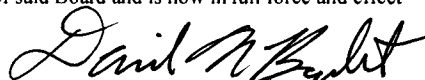
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 or Deputy Assistant Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-029 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from Republic Exploration LLC of an undivided interest to the following in the proportions set out below.

Juneau Exploration, L.P.	19.14900%
GOM 2013 LLC	18.56957%
Contango Operators, Inc.	17.99572%

in and to State Lease Nos. 18640, 18860, 19261 and 19266, Iberia Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said leases affect depths from the stratigraphic equivalent of 15,753' TVD, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

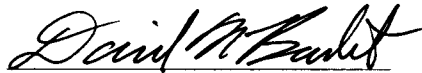
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-030 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from Tellus Energy, LLC to XLAKE II, LLC of all of Assignor's right, title and interest in and to Operating Agreement "A0275", Caddo Parish, Louisiana, with further particulars being stipulated in the instrument

XLAKE II, 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 or Deputy Assistant Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-031 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 14 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from Curocom Energy, LLC to J & S Oil & Gas, LLC of all of Assignor's right, title and interest in and to State Lease No 20434, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

J & S Oil & Gas, 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 or Deputy Assistant Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-032 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 15 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from CL&F Resources LP to HE&D Offshore, L P. of an undivided 0.4750% of 6/6ths working interest in and to State Lease No. 18287, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

Fieldwood Energy Offshore 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 or Deputy Assistant Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-033 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from CL&F Resources LP to Fieldwood Energy Offshore LLC of an undivided 4.525% working interest in and to State Lease No 18287, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

Fieldwood Energy Offshore 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 or Deputy Assistant Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-034 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 17 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from Castex Energy Partners, L.P. to CSL Exploration, LP an undivided 12.50% of Assignor's interest in and to State Lease Nos. 21608, 21611, 21612, 21613, 21614, 21615 and 21616, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

GOME 1271 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 or Deputy Assistant Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-035 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 18 from the August 10, 2016 Meeting be approved, said instrument being an Assignment from Castex Energy Partners, L.P. to CSL Exploration, LP an undivided 12.50% of Assignor's interest in and to State Lease Nos 21628 and 21629, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

CSL Exploration, 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 or Deputy Assistant Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-036 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16-26 from the August 10, 2016, Meeting be deferred, said instrument being an Operating Agreement by and between the State Mineral and Energy Board and Union Gas Operating Company, to create an Operating Tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the state a State Production Interest equal to 25.00% before payout, increasing to 25.50% after payout, in and to the operating tract, covering a portion of former State Lease No. 21421, containing .33 acres, more or less, Allen Parish, Louisiana, with further particulars being stipulated in the instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-037

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16-27 from the August 10, 2016 Meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board and Five-JAB, Inc., 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 22.00% before payout, increasing to 22.50% after payout, in and to the operating tract, covering a portion of former State Lease Nos. 19250 and 19950, containing 87.114 net acres, more or less, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-038

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16-28 from the August 10, 2016 Meeting be approved, said instrument being a Settlement and Release by and between the State of Louisiana, through the State Land Office, Division of Administration, the State Mineral and Energy Board and Earl Willard Cook, et al, whereas said parties have reached a settlement in the matter entitled *Earl Willard Cook, Hope Henry Cook, Billy Cook, and Van R. Cook v. State of Louisiana through Louisiana State Land Office; John Lavin, Director of Louisiana State Land Office; and Petrohawk Properties, L.P.*, Docket No. 137192, Div. E, 26th Judicial District Court, Bossier Parish, State of Louisiana, affecting State Lease No. 20030, Bossier Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-039

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16-29 from the August 10, 2016 Meeting be approved, said instrument being a Lease Amendment by and between the State Mineral and Energy Board and Ballard Exploration Company, Inc., whereas said parties desire to amend said lease to include the Force Majeure Provision, shut-in payment clause and other required clauses, affecting State Lease No. 18158, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-08-040

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16-30 from the August 10, 2016 Meeting be approved, said instrument being a Settlement and Release by and between the State of Louisiana, acting through the State Mineral and Energy Board, the Louisiana Department of Wildlife and Fisheries and William Elton Kennedy, whereas said parties have reached a settlement in the matter entitled *Chesapeake Operating, Inc. and Chesapeake Louisiana, L.P. v. The State Mineral and Energy Board of Louisiana, et al.*, Docket No. C-138840, Div. D, 26th Judicial District Court, Bossier Parish, affecting State Lease No. 20566, Bossier Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of August, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

The Chairman stated that the next order of business was discussions in Executive Session to consider matters before the Board which were confidential in nature. Upon motion of Mr. Segura, seconded by Mr. Harris, the Board went into Executive Session at 10:55 a.m.

The Board reconvened in open session at 11:25 after returning from a ten (10) minute recess for consideration of the following matters discussed in Executive Session:

The first matter discussed in Executive Session was an update regarding discussions with disputing landowner, ConocoPhillips, successor to LL&E, as to title disputed acreage within State Lease Nos. 724, 21150, 21152 & 21157 situated within CIB CARST RA SUA Unit, Four Isle Dome Field, Terrebonne Parish.

Upon motion of Mr. Watkins, seconded by Mr. Hollenshead, and by unanimous vote of the Board, the State Mineral and Energy Board granted authority to the Attorney General's Office to proceed with negotiations as discussed in Executive Session. No comments were made by the public. *

The second matter discussed in Executive Session was the suit entitled: Duncan Oil, Inc. v. Louisiana State Mineral and Energy Board, Docket No. 004513, Div. D, 14th JDC, Calcasieu Parish.

Upon motion of Mr. Watkins, seconded by Mr. Hollenshead, and by unanimous vote of the Board, the State Mineral and Energy Board granted authority to the Attorney General's Office to appeal to the Third Circuit as discussed in Executive Session. No comments were made by the public. *

The third matter discussed in Executive Session was the Technical Briefing on Bids.

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.

** Executive Session Resolutions will immediately follow this page*

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion
ConocoPhillips
State Lease Nos. 724, 21150, 21152
& 21157 Terrebonne Parish

RESOLUTION # 16-08-041

(EXECUTIVE SESSION)

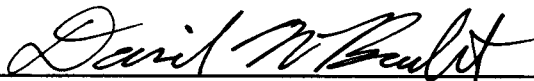
WHEREAS, a discussion was held in Executive Session regarding discussions with ConocoPhillips, successor to LL&E, as to the title disputed acreage within State Lease Nos. 724, 21150, 21152 & 21157 situated within CIB CARST RA SUA Unit, Four Isle Dome Field, Terrebonne Parish;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant authority to the Attorney General's Office to proceed with negotiations as discussed in Executive Session.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



**David W. Boulet, Secretary
State Mineral and Energy Board**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion
Duncan Oil, Inc. v. Louisiana State
Mineral and Energy Board
Docket No. 004513, Div. D
14th JDC, Calcasieu Parish

RESOLUTION # 16-08-042

(EXECUTIVE SESSION)

WHEREAS, a discussion was held in Executive Session regarding the suit entitled: Duncan Oil, Inc. v. Louisiana State Mineral and Energy Board, Docket No. 004513, Div. D, 14th JDC, Calcasieu Parish;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant authority to the Attorney General's Office to appeal to the Third Circuit as discussed in Executive Session.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

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

Mr. Boulet stated that Staff recommends that the bids on Tract Nos. 44573, 44574, and Tract 44582 be accepted.

Upon motion by Mr. Harris, seconded by Mr. Cordaro, the Board unanimously voted to accept the following bids received on Tract Nos. 44573, 44574, and Tract 44582 and award leases on those tracts:

1. Award a lease on a portion of Tract No. 44573, said portion being 42.000 acres, more particularly described in said bid and outlined on accompanying plat, to Castex Energy Partners, L.P.
2. Award a lease on a portion of Tract No. 44574, said portion being 22.000 acres, more particularly described in said bid and outlined on accompanying plat, to Castex Energy Partners, L.P.
3. Award at State Agency lease on Tract No. 44582, more particularly described in said bid and outlined on accompanying plat, to Coastal Land Services, Inc.

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

This concluded the awarding of the leases.

The Chairman then announced that the next order of business was the discussion of new business:

The first matter for discussion of new business was a request by Mr. Theodore M. Haik, Jr. to discuss adding language to the Proposed New Lease Form in regard to severability and jurisdiction.

Upon motion of Mr. Haik, seconded by Mr. Segura, and by unanimous vote of the Board, Mr. Haik's requested that his original request be withdrawn and that the Attorney General's office provide a memorandum within the next sixty (60) days (by the October 12, 2016 meeting of the Mineral and Energy Board) to provide guidance to the Board in regard to this issue. No comments were made by the public. *

The second matter for discussion of new business was a call for nominations and election of Chairman and Vice-Chairman with Chairman-elect and Vice-Chairman-elect to take office in October 2016 upon the expiration of the current Chairman's and Vice-Chairman's terms.

Upon motion of Mr. Harris, seconded by Mr. Bradberry, and by unanimous vote of the Board, the call for nominations and election of Chairman and Vice-Chairman was postponed to the October 12, 2016 meeting of the Mineral and Energy Board. *

** New Business Resolutions will immediately follow this page*

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

State Mineral and
Energy Board Request

RESOLUTION # 16-08-043

(NEW BUSINESS)

WHEREAS, a request was made by Mr. Theodore M. Haik, Jr., Member of the State Mineral and Energy Board, to discuss adding language to the Proposed New Lease Form in regard to severability and jurisdiction;

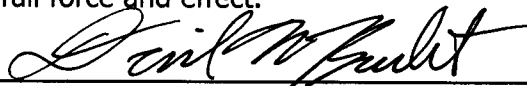
WHEREAS, Mr. Haik recommended that his request be withdrawn and requested that the Attorney General's office instead provide a memorandum within the next sixty (60) days (by the October 12, 2016 meeting of the Mineral and Energy Board) to provide guidance to the Board in regard to this issue;

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

NOW THEREFORE, BE IT RESOLVED that the Attorney General's office provide a memorandum within the next sixty (60) days (by the October 12, 2016 meeting of the Mineral and Energy Board) to provide guidance to the Board in regard to this issue.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

State Mineral and Energy
Board Request

RESOLUTION # 16-08-044

(NEW BUSINESS)

WHEREAS, a request was made for a call for nominations and election of Chairman and Vice-Chairman with Chairman-elect and Vice-Chairman-elect to take office in October 2016 upon the expiration of the current Chairman's and Vice-Chairman's terms was made;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby postpone the call for nominations and election of Chairman and Vice-Chairman to the October 12, 2016 meeting of the Mineral and Energy Board.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of August, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

The following announcements were then made:

Mr. Boulet stated that "the total cash payments for the August 10, 2016 Lease Sale is \$343,132.91 was received, and the year-to-date payments for the 2017 Fiscal Year is \$402,282.91."

Mr. Boulet advised the Board Members that we were going to be presenting at the LOGA Conference in Lafayette on September 21, 2016.

Mr. Boulet also expressed his appreciation to Stacey Talley who has served the Board for many years as the Deputy Assistant Secretary for all her efforts in supporting OMR and the Board.

Mr. Boulet also congratulated Mr. Arnold on the upcoming birth of his first grandchild and wished him safe travels to be with his family for the event.

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Harris, seconded by Mr. Cordaro, the meeting was adjourned at 11:35 a.m.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "David W. Boulet". The signature is fluid and cursive, with a large initial "D" and "B".

David W. Boulet, Secretary
State Mineral and Energy Board