

# **MINUTES**

## **STATE MINERAL AND ENERGY BOARD**

### **LEASE SALE AND BOARD MEETING**

**August 8, 2018**

JOHN BEL EDWARDS  
GOVERNOR



THOMAS F. HARRIS  
SECRETARY

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

**Opening of Bids**

**August 8, 2018**

A public meeting for the purpose of opening sealed bids was held on Wednesday, August 8, 2018, beginning at 8:30 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

**Jamie Manuel** – Assistant Secretary of the Office of Mineral Resources

**Stacey Talley** - Business Analytics Specialist of the Office of Mineral Resources

**Rachel Newman** – Director, Mineral Income Division

**James Devitt** – Deputy General Counsel, Department of Natural Resources

**Emile Fontenot** – Director, Petroleum Lands

Mr. Manuel presided over the meeting. He then read the letter of notification certifying the legal sufficiency of the advertisement of Tract Nos. 44937 through 44939 and Tract Nos. 44956 through 44960 which were published for lease by the Board at today's sale.

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

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 Manuel stated that there were no tracts to be withdrawn from today's Lease Sale.

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

**INLAND TRACTS**

Tract 44956

Bidder	:	BLANCHARD & ASSOCIATES
	:	LAND SERVICES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$74,167.50
Annual Rental	:	\$37,083.75
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

**STATE AGENCY TRACTS**

Tract 44957

Bidder	:	BRIX OPERATING, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$21,017.50
Annual Rental	:	\$10,508.75
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 44958

(Portion Bid: 84.00 acres)

Bidder	:	RICELAND PETROLEUM
	:	COMPANY
Primary Term	:	Three (3) years
Cash Payment	:	\$25,284.00
Annual Rental	:	\$12,642.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

**TAX ADJUDICATED LANDS**

Tract 44959

Bidder	:	CRESCENT RESOURCES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$452.00
Annual Rental	:	\$226.00

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Royalties	:	21.5% on oil and gas
	:	21.5% on other minerals
Additional Consideration	:	None


Tract 44960

Bidder	:	CRESCENT RESOURCES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$452.00
Annual Rental	:	\$226.00
Royalties	:	21.5% on oil and gas
	:	21.5% 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.

Respectfully Submitted,

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

JOHN BEL EDWARDS  
GOVERNOR



THOMAS F. HARRIS  
SECRETARY

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

**REGULAR MEETING**  
**August 8, 2018**

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, August 8, 2018**, beginning at 9:30 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

**I. CALL TO ORDER**

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

**II. ROLL CALL**

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

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

The following members of the Board were recorded as absent:

**Johnny B. Bradberry**

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

Also recorded as present were:

**Stacey Talley** – Business Analytics Specialist, Office of Mineral Resources  
**Ryan Seidemann** - Assistant Attorney General  
**Christopher Lento** - Assistant Attorney General  
**William Iturralde** – Attorney, Office of Mineral Resources  
**Rachel Newman** - Director, Mineral Income Division  
**Taletha Shorter** – Audit Manager, Mineral Income Division  
**Byron Miller** – Administrator, Geology, Engineering & Land Division  
**Jason Talbot** – Geology Supervisor, Geology, Engineering & Land Division  
**Charles Bradbury** – Engineering Supervisor, Geology, Engineering & Land Division  
**Emile Fontenot** – Petroleum Lands Director, Geology, Engineering & Land Division  
**Blake Canfield** – Executive Counsel, Department of Natural Resources  
**James Devitt** - Deputy General Counsel, Department of Natural Resources

### **III. PLEDGE OF ALLEGIANCE**

The Chairman led the Board in reciting the Pledge of Allegiance to the Flag of the United States of America.

### **IV. APPROVAL OF THE JULY 11, 2018 MINUTES**

The Chairman stated that the first order of business was the approval of the July 11, 2018 Minutes. A motion was made by Mr. Watkins to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Ms. Michaud-Dugas and unanimously adopted by the Board. (No public comment was made at this time.)

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

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

### **V. STAFF REPORTS**

- a) Lease Review Report
- b) Nomination and Tract Report  
(Resolution No. 18-08-001)
- c) Audit Report  
(Resolution No. 18-08-002)
- d) Legal and Title Controversy Report  
(Resolution Nos. 18-08-003 thru 18-08-008)
- e) Docket Review Report  
(Resolution Nos. 18-08-009 thru 18-08-035)

**a) LEASE REVIEW REPORT  
August 8, 2018**

**I. GEOLOGICAL AND ENGINEERING STAFF REVIEW**

According to the SONRIS database, there were 1,191 active State Leases containing approximately 527,000 acres. Since the last Lease Review Board meeting, the Geological and Engineering Division reviewed 80 leases covering approximately 32,000 acres for lease maintenance and development issues.

**II. BOARD REVIEW**

There were no leases brought before the Board.

**III. REPORT ON ACTIONS EXERCISED BY THE STAFF UNDER DELEGATED AUTHORITY**

No Objection to Produce Well Prior to Unit Creation, R.F. Price, Jr No. 8 well, SN 249555, affecting State Lease 21284, Coquille Bay Field, Plaquemines Parish, Louisiana.

**IV. FORCE MAJEURE**

Updated 07/31/2018

Company Name	Lease Numbers (Review Date)
Leases Off Production Due to Non-Storm Related Force Majeure Events	
Day Dreams Resources, LLC	19930 (9/12/2018)

**b) NOMINATION AND TRACT REPORT**  
**August 8, 2018**

The Board heard the report of Mr. Emile Fontenot on Wednesday August 8, 2018 relative to nominations received in the Office of Mineral Resources for the October 10, 2018 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of Mr. Arnold, duly seconded by Mr. Harris, the Board granted authority to the staff to advertise all such tracts as have been received by the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report. **(Resolution 18-08-001)**



**c) AUDIT REPORT**  
**August 8, 2018**

The first matter considered by the Board was a request to place Lobo Operating, Inc. on demand for unpaid monthly oil royalties and outstanding late royalty penalty billings.

Upon recommendation of Staff and upon motion of Mr. Haik, seconded by Mr. Watkins, the Board granted authorization to the Attorney General's Office to place Lobo Operating, Inc. and any affiliated parties or parties associated with the leases on demand, and further granted authority to the Attorney General's office to file suit for unpaid royalty and penalties should compliance with the demand request not be made within a reasonable time. The Board further requested that Lobo Operating, Inc. appear before the Board at the September 12, 2018 meeting to further discuss this matter. On request by the Board for public comment, an appearance was made by Howard Wilson and Molly Scott on behalf of Lobo Operating, Inc. **(Resolution No. 18-08-002)**

The second matter considered by the Board was the election of the August 2018 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.

**d) LEGAL & TITLE REPORT  
August 8, 2018**

The State Mineral and Energy Board (Board) considered a request by Krewe Energy, LLC (Krewe) to extend authority to escrow royalty payments until February 13, 2019, previously granted by the Board under Resolution Nos. 17-08-005 and 18-02-011, attributable to Unit Tracts 1 through 7 and Unit Tracts 13 through 21 in the Bourg B SUI - Order 416-F-4, affecting State Lease Nos. 21662, 21696, and 21697, Lapeyrouse Field located in Terrebonne Parish, Louisiana.

Staff reported that Unit Tracts 1 through 7 are claimed by the State and Apache Louisiana Minerals LLC. Unit Tract 19 is claimed by the State and LL&E. Unit Tracts 13 through 18, 20, and 21 are claimed by the State and numerous land owners. Krewe continues to be in compliance with OMR's deposit and SR9 reporting requirements for escrowing royalty.

Staff recommended that the Board extend the authority to escrow funds derived from production in the aforementioned unit tracts until February 13, 2019.

Upon motion of Mr. Arnold, seconded by Mr. Lee, and by unanimous vote of the Board, the State Mineral and Energy Board accepted Staff's recommendation and approved the request by Krewe to extend authority to escrow royalty payments until February 13, 2019, previously granted by the Board under Resolution Nos. 17-08-005 and 18-02-011, attributable to Unit Tracts 1 through 7 and Unit Tracts 13 through 21 in the Bourg B SUI - Order 416-F-4, affecting State Lease Nos. 21662, 21696, and 21697, Lapeyrouse Field located in Terrebonne Parish, Louisiana. There were no comments from the public. **(Resolution No. 18-08-003)**

The second matter considered by the Board was a request by Krewe Energy, LLC (Krewe) to extend authority to escrow royalty payments until February 13, 2019, previously granted by the Board under Resolution Nos. 17-08-006 and 18-02-011, attributable to Unit Tracts 4A and 6A in the Exposito B RF SUA - Order 416-C-12, affecting State Lease No. 21698, Lapeyrouse Field located in Terrebonne Parish, Louisiana.

Staff reported that Unit Tract 4A is claimed by the State and LL&E. Unit Tract 6A is claimed by the State and Easton Picou, et al. Krewe continues to be in compliance with OMR's deposit and SR9 reporting requirements for escrowing royalty.

Staff recommended that the Board extend the authority to escrow funds derived from production in the aforementioned unit tracts until February 13, 2019.

Upon motion of Mr. Arnold, seconded by Mr. Watkins, and by unanimous vote of the Board, the State Mineral and Energy Board accepted Staff's recommendation and approved the request by Krewe to extend authority to escrow royalty payments until February 13, 2019, previously granted by the Board under Resolution Nos. 17-08-006 and

18-02-011, attributable to Unit Tracts 4A and 6A in the Exposito B RF SUA - Order 416-C-12, affecting State Lease No. 21698, Lapeyrouse Field located in Terrebonne Parish, Louisiana. There were no comments from the public. **(Resolution No. 18-08-004)**

The third matter considered by the Board was a request by Krewe Energy, LLC (Krewe) to extend authority to escrow royalty payments until February 13, 2019, previously granted by the Board under Resolution Nos. 17-09-007 and 18-02-011, attributable to Unit Tract 1 in the FF-GG RA SUA - Order 416-GGG, affecting State Lease No. 21662, Lapeyrouse Field located in Terrebonne Parish, Louisiana.

Staff reported that Unit Tract 1 is claimed by the State and Apache. Krewe continues to be in compliance with OMR's deposit and SR9 reporting requirements for escrowing royalty.

Staff recommended that the Board extend the authority to escrow funds derived from production in the aforementioned unit tract until February 13, 2019.

Upon motion of Mr. Arnold, seconded by Ms. Michaud-Dugas, and by unanimous vote of the Board, the State Mineral and Energy Board accepted Staff's recommendation and approved the request by Krewe to extend authority to escrow royalty payments until February 13, 2019, previously granted by the Board under Resolution Nos. 17-09-007 and 18-02-011, attributable to Unit Tract 1 in the FF-GG RA SUA - Order 416-GGG, affecting State Lease No. 21662, Lapeyrouse Field located in Terrebonne Parish, Louisiana. There were no comments from the public. **(Resolution No. 18-08-005)**

The fourth matter considered by the Board was a request from the unit operator, Talos Gulf Coast Onshore LLC (Talos), for an extension of authority to escrow funds for two (2) months or until October 10, 2018, on funds subject to a title dispute between the State and LL&E that is derived from production on acreage in the 86 RA SUA, State Lease No. 21092 #1, West Bay St. Elaine Field located in Terrebonne Parish, Louisiana.

Staff reported that Talos continues to be in compliance with OMR's deposit and SR9 reporting requirements for escrowing royalty.

DNR Legal Staff and the Attorney General's Office recommended that the Board grant an extension of authority to escrow those funds subject to the aforementioned title dispute to Talos until February 13, 2019, due to ongoing negotiations.

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, and by unanimous vote of the Board, the State Mineral and Energy Board accepted DNR Legal Staff and the Attorney General's Office recommendations and granted an extension of authority to escrow those funds subject to the aforementioned title dispute to Talos until February 13, 2019. There were no comments from the public. **(Resolution No. 18-08-006)**

The fifth matter considered by the Board was a request by Staff to extend the previous authority to negotiate terms of an Operating Agreement with BHP Billiton

Petroleum, Inc. (BHP) until November 14, 2018 on unleased State acreage covered by former State Lease No. 17732 in the Elmwood Field located in Bossier Parish, Louisiana.

Staff reported that the unleased state acreage is situated in Sections 20, 29 and 30, Township 16 North, Range 11 West, Bossier Parish, Louisiana, within the HA RA SU127 and CV RA SU45, Elmwood Field.

Staff recommended that the Board extend authority to negotiate terms of an Operating Agreement with BHP on the aforementioned unleased State acreage until November 14, 2018.

Upon motion of Mr. Arnold, seconded by Mr. Watkins, and by unanimous vote of the Board, the State Mineral and Energy Board accepted Staff's recommendation and extended the authority to negotiate terms of an Operating Agreement with BHP Billiton Petroleum, Inc. (BHP) until November 14, 2018 on unleased State acreage covered by former State Lease No. 17732 in the Elmwood Field located in Bossier Parish, Louisiana. There were no comments from the public. **(Resolution No. 18-08-007)**

The sixth matter considered by the Board was a request by Castex Energy Partners, Inc. (Castex) to grant authority to escrow funds that are subject to a title dispute between the State and LL&E derived from production on acreage in the Castex Tex L-CIB C RA SUA, LL&E #1 (Serial 250180), Operating Agreement No. AO383 (formerly State Lease Nos. 21628 and 21629), and State Lease Nos. 21676 and 21677, King Lake Field, all located in Terrebonne Parish, Louisiana, until resolution of the dispute between the State and LL&E.

Staff reported that the well is ready to produce waiting on the completion of a pipeline. Castex is interested in paying the royalties timely and accurately. For the disputed portions of the Unit, this can only be facilitated by an escrow account until the dispute between the State and LL&E has been resolved.

Staff recommended that the Board grant escrow authority, subject to current Board's escrow protocol, to Castex until the February 13, 2019 State Mineral and Energy Board Meeting.

Upon motion of Mr. Arnold, seconded by Mr. Watkins, and by unanimous vote of the Board, the State Mineral and Energy Board accepted Staff's recommendation and granted the request by Castex Energy Partners, Inc. (Castex) to escrow funds that are subject to a title dispute between the State and LL&E derived from production on acreage in the Castex Tex L-CIB C RA SUA, LL&E #1 (Serial 250180), Operating Agreement No. AO383 (formerly State Lease Nos. 21628 and 21629), and State Lease Nos. 21676 and 21677, King Lake Field, all located in Terrebonne Parish, Louisiana, until resolution of the dispute between the State and LL&E. There were no comments from the public. **(Resolution No. 18-08-008)**

The seventh matter considered by the Board was an update by OMR's Assistant Secretary of the proposed new Lease Form.

This matter was for discussion only and no action was necessary. There were no comments from the public.

**e) DOCKET REVIEW REPORT  
August 8, 2018**

The Board heard the report from Emile Fontenot on Wednesday, August 8, 2018, relative to the following:

- Category A: State Agency Leases  
There were no items for this category
- Category B: State Lease Transfers  
Docket Item Nos. 1 through 21.
- Category C: Department of Wildlife & Fisheries State Agency Lease  
There were no items for this category
- Category D: Advertised Proposals  
Docket Item Nos. 18-16 through 18-21

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

- Category B: State Lease Transfers  
Approve Docket Item Nos. 1 through 21  
**(Resolution Nos. 18-08-009 through 18-08-029)**

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

- Category B: Advertised Proposals  
Approve Docket Item Nos. 18-16 through 18-21  
**(Resolution Nos. 18-08-030 through 18-08-035)**

**VI. EXECUTIVE SESSION**  
(Resolution Nos. 18-08-036 thru 18-08-038)

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. Arnold, seconded by Ms. Michaud-Dugas, the Board Members went into Executive Session at 10:41 a.m.

Upon motion of Ms. Michaud-Dugas, seconded by Ms. LeBlanc, the Board reconvened in open session at 11:17 a.m. for consideration of the following matters discussed in Executive Session:

- a) A status update regarding settlement of outstanding audit issues with ChevronTexaco, Texaco E&P Inc. and Unocal.

This matter was only a discussion, and no action by the Board was taken. No comments were made by the public.

- b) A discussion regarding negotiations to settle outstanding audit issues with Swift Energy Operation, LLC.

This matter was only a discussion, and no action by the Board was taken. No comments were made by the public.

- c) A discussion of the matters entitled: Sonat Exploration, et al v. State of Louisiana, Docket No. 40,523 and Sonat Exploration, et al v. State of Louisiana, Docket No. 40,524, filed in the Third Judicial District Court, Lincoln Parish, Louisiana

Upon motion of Ms. LeBlanc, seconded by Ms. Michaud-Dugas, the Board voted unanimously to grant authority to the Attorney General's office to reject the current offer from the private parties to settle these two (2) matters and to grant Staff the authority to negotiate for settlement with a counter offer in the boundaries set as discussed in Executive Session. No comments were made by the public. **(Resolution No. 18-08-036)**

- d) An update and discussion of ongoing settlement negotiations between the State and disputing landowner, ConocoPhillips, regarding production on acreage in the 86 RA SUA; SL 21092 #1, West Bay St. Elaine Field, Terrebonne Parish, Louisiana

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, the Board voted unanimously to grant authority to the Attorney General's office to reject the current offer from Conoco Phillips and counter offer and negotiate as discussed

in Executive Session. No comments were made by the public. **(Resolution No. 18-08-037)**

- e) A discussion regarding Expert Oil and Gas Lease Nos. 18748, 18868 and 19208 in the Bayou Perot Field, Jefferson and Lafourche Parishes, Louisiana

Upon motion of Mr. Haik, seconded by Ms. LeBlanc, the Board voted unanimously to grant authority to Staff to proceed as recommended in Executive Session. No comments were made by the public. **(Resolution No. 18-08-038)**

Mr. Harris' motion to accept Items a through c simultaneously was withdrawn by a subsequent motion by Mr. Harris and seconded by Mr. Arnold and unanimous vote of the Board. All items were discussed and voted on (if action was taken) an individual basis.

The Board was briefed in Executive Session on the bids received at today's lease sale.

## **VII. AWARDING OF LEASES**

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

Upon motion by Mr. Arnold, seconded by Mr. Haik, the Board unanimously voted to accept Staff's recommendations as follows:

1. Award a lease on Tract No. 44956 to Blanchard & Associates Land Services, LLC
2. Reject the bid on Tract No. 44957 from Brix Operating, LLC for insufficient consideration
3. Award a lease on a portion of Tract No. 44958 to Riceland Petroleum Company
4. Award a lease on Tract No. 44959 to Crescent Resources, LLC
5. Award a lease on Tract No. 44960 to Crescent Resources, LLC

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.



**VIII. NEW BUSINESS**  
(Resolution Nos. 18-08-039 thru 18-08-040)

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

Mr. Hollenshead requested that an item be placed on next month's agenda for the Staff to evaluate the possibility of buyers/transporters sending royalty payments directly to our office.

Upon motion of Mr. Hollenshead, seconded by Ms. LeBlanc, the Board voted unanimously that Staff comply with this request. **(Resolution No. 18-08-039)**

Mr. Watkins requested that the Board be presented with an Open Audit Report at next month's meeting.

Upon motion of Mr. Watkins, seconded by Mr. Harris, the Board voted unanimously that Staff comply with this request for an Open Audit Report. **(Resolution No. 18-08-040)**

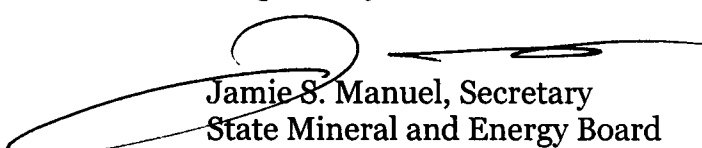
**IX. ANNOUNCEMENTS**

Mr. Manuel stated that there were four (4) leases awarded totaling \$100,355.50 for the August 8, 2018 Lease Sale bringing the fiscal year total to \$4,999,703.07.

**X. ADJOURNMENT**

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Arnold, seconded by Mr. Hollenshead, the meeting was adjourned at 11:31 a.m.

Respectfully Submitted,



Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Authority to advertise  
Tracts for October 10,  
2018 Lease Sale

**Resolution #18-08-001**  
**(NOMINATION AND TRACT REPORT)**

**WHEREAS**, Mr. Emile Fontenot reported that eight (8) tracts were nominated for the October 10, 2018 Mineral Lease Sale, and requested that same be advertised pending staff review;

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

That the State Mineral and Energy Board grant approval to advertise all such tracts for the October 10, 2018 Mineral Lease Sale;

**NOW, BE IT THEREFORE RESOLVED**, that the State Mineral and Energy Board does hereby approve and authorize the advertising of all such tracts received by the staff of the Office of Mineral Resources, as well as any tracts that were previously advertised and rolled over, and to otherwise approve the Nomination and Tract Report.

**CERTIFICATE**

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 8th day of August 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.

  
**Jamie S. Manuel, Secretary**  
**LOUISIANA STATE MINERAL AND ENERGY BOARD**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Lobo Operating, Inc.  
Re: Demand unpaid monthly oil  
royalties and outstanding late royalty  
penalty billings

## RESOLUTION # 18-08-002

(AUDIT REPORT)

**WHEREAS**, a request was made by Staff for the Board to authorize the Attorney General's Office to place Lobo Operating, Inc. on demand for unpaid monthly oil royalties and outstanding late royalty penalty billings;

**WHEREAS**, Lobo Operating, Inc. submitted state royalty reports totaling \$923,187.17 from April 25, 2018 through July 26, 2018 but failed to remit payments that correspond to these state royalty (SR) reports;

**WHEREAS**, the State Mineral and Energy Board caused a billing letter issuance to Lobo Operating, Inc. regarding late payments of royalty for the period February 2018 through June 2018 under State Lease Nos. 195, 335, 1227, 1268, 3762, 3763, 15536, 16392, 16393, 16432, 16443, 16570, 16610, 16664, 16692, 16819, 16890, 18078, 19967, 20433, and 20436 in the Breton Sound Block 18, Breton Sound Block 32, Breton Sound Block 51, Grand Bay, Main Pass Block 21, Main Pass Block 25, Main Pass Block 26, Main Pass Block 47, Vermilion Block 16 fields and determined that Lobo Operating, Inc. owes the State some \$2,500.00 in penalties;

**WHEREAS**, the Staff of the Office of Mineral Resources has been unable to resolve and settle the outstanding reporting issues and penalty billings with Lobo Operating, Inc.; and

**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. Haik, seconded by Mr. Watkins, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

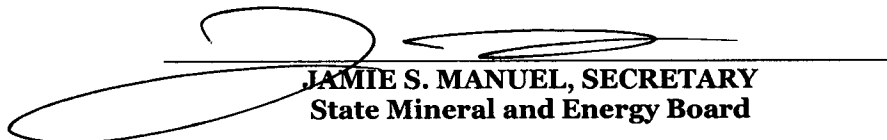
**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby authorize the Attorney General's Office to place Lobo Operating, Inc. and any affiliated parties or parties associated with the leases on demand.

**BE IT FURTHER RESOLVED** that the Attorney General's office is authorized to file suit for unpaid royalty and penalties should compliance with the demand request not be made within a reasonable time.

**BE IT FURTHER RESOLVED** that Lobo Operating, Inc. appear before the Board at the September 12, 2018 meeting to further discuss this matter.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8<sup>th</sup> day of August, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #18-08-003

(LEGAL & TITLE CONTROVERSY REPORT)

Krewe Energy, LLC –  
Request to Extend Escrow  
to February 13, 2019; Tracts  
1-7 & 13-21; BOURG B SUI;  
State Lease Nos. 21662,  
21696 & 21697

**WHEREAS**, Krewe Energy, LLC requests authority to extend escrow royalty payments until February 13, 2019, previously granted by the Board under Resolution Nos. 17-08-005 and 18-02-011, attributable to Unit Tracts 1 through 7 and Unit Tracts 13 through 21 in the Bourg B SUI - Order 416-F-4, affecting State Lease Nos. 21662, 21696, and 21697, Lapeyrouse Field located in Terrebonne Parish, Louisiana; and

**WHEREAS**, in response to this request, OMR Staff offered the following recommendation for consideration by the Board:

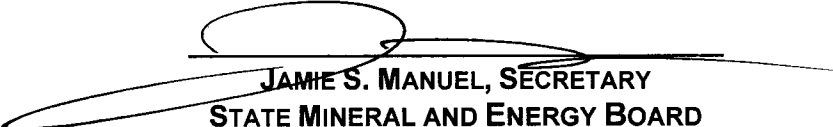
That the State Mineral and Energy Board approve the request by Krewe Energy, LLC for extension of authority to escrow royalty payments until February 13, 2019, derived from the production of Unit Tracts 1 through 7 and Unit Tracts 13 through 21 in the Bourg B SUI - Order 416-F-4, affecting State Lease Nos. 21662, 21696, and 21697, Lapeyrouse Field located in Terrebonne Parish, Louisiana.

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

**NOW THEREFORE, BE IT RESOLVED** that the request by Krewe Energy, LLC for authority to extend the escrow of royalty payments to February 13, 2019, attributable to Unit Tracts 1 through 7 and Unit Tracts 13 through 21 in the Bourg B SUI - Order 416-F-4, affecting State Lease Nos. 21662, 21696, and 21697, Lapeyrouse Field located in Terrebonne Parish, Louisiana, is hereby approved.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of August, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.

  
JAMIE S. MANUEL, SECRETARY  
STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #18-08-004

(LEGAL & TITLE CONTROVERSY REPORT)

Krewe Energy, LLC –  
Request to Extend Escrow  
to February 13, 2019; Tracts  
4A & 6A; Exposito B RF  
SUA; State Lease No. 21698

**WHEREAS**, Krewe Energy, LLC requests authority to extend escrow royalty payments until February 13, 2019, previously granted by the Board under Resolution Nos. 17-08-006 and 18-02-011, attributable to Unit Tracts 4A and 6A in the Exposito B RF SUA - Order 416-C-12, affecting State Lease No. 21698, Lapeyrouse Field located in Terrebonne Parish, Louisiana; and

**WHEREAS**, in response to this request, OMR Staff offered the following recommendation for consideration by the Board:

That the State Mineral and Energy Board approve the request by Krewe Energy, LLC for extension of authority to escrow royalty payments until February 13, 2019, derived from the production of Unit Tracts 4A and 6A in the Exposito B RF SUA - Order 416-C-12, affecting State Lease No. 21698, Lapeyrouse Field located in Terrebonne Parish, Louisiana.

**ON MOTION** of Mr. Arnold, 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 the request by Krewe Energy, LLC for authority to extend the escrow of royalty payments to February 13, 2019, attributable to Unit Tracts 4A and 6A in the Exposito B RF SUA - Order 416-C-12, affecting State Lease No. 21698, Lapeyrouse Field located in Terrebonne Parish, Louisiana, is hereby approved.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of August, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #18-08-005

(LEGAL & TITLE CONTROVERSY REPORT)

Krewe Energy, LLC –  
Request to Extend Escrow  
to February 13, 2019; Unit  
Tract 1, FF-GG RA SUA;  
State Lease No. 21662

**WHEREAS**, Krewe Energy, LLC requests authority to extend escrow royalty payments until February 13, 2019, previously granted by the Board under Resolution Nos. 17-09-007 and 18-02-011, attributable to Unit Tract 1 in the FF-GG RA SUA - Order 416-GGG, affecting State Lease No. 21662, Lapeyrouse Field located in Terrebonne Parish, Louisiana; and

**WHEREAS**, in response to this request, OMR Staff offered the following recommendation for consideration by the Board:

That the State Mineral and Energy Board approve the request by Krewe Energy, LLC for extension of authority to escrow royalty payments until February 13, 2019, derived from the production of Unit Tract 1 in the FF-GG RA SUA - Order 416-GGG, affecting State Lease No. 21662, Lapeyrouse Field located in Terrebonne Parish, Louisiana.

**ON MOTION** of Mr. Arnold, seconded by Ms. Michaud-Dugas, after discussion and careful consideration, the following Resolution was offered and unanimously adopted by the Board:

**NOW THEREFORE, BE IT RESOLVED** that the request by Krewe Energy, LLC for authority to extend the escrow of royalty payments to February 13, 2019, attributable to Unit Tract 1 in the FF-GG RA SUA - Order 416-GGG, affecting State Lease No. 21662, Lapeyrouse Field located in Terrebonne Parish, Louisiana, is hereby approved.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of August, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #18-08-006

(LEGAL & TITLE CONTROVERSY REPORT)

Talos Gulf Coast Onshore  
LLC – Extension of  
Escrow to February 13,  
2019; 86 RA SUA, State  
Lease No. 21092 #1

**WHEREAS**, Talos Gulf Coast Onshore LLC, as unit operator, requests an extension of authority to escrow funds for two (2) months or until October 10, 2018, on funds subject to a title dispute between the State and LL&E that is derived from production on acreage in the 86 RA SUA, State Lease No. 21092 #1, West Bay St. Elaine Field located in Terrebonne Parish, Louisiana; and

**WHEREAS**, in response to this request, DNR Legal Staff and the Attorney General's Office offered the following recommendation for consideration by the Board:

That the State Mineral and Energy Board grant an extension of authority to escrow those funds subject to a title dispute between the State and LL&E that is derived from production on acreage in the 86 RA SUA, State Lease No. 21092 #1, West Bay St. Elaine Field located in Terrebonne Parish, Louisiana, until February 13, 2019, due to ongoing negotiations.

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby extend the authority to Talos Gulf Coast Onshore LLC, as unit operator, to escrow those funds subject to a title dispute between the State and LL&E that is derived from production on acreage in the 86 RA SUA, State Lease No. 21092 #1, West Bay St. Elaine Field located in Terrebonne Parish, Louisiana, until February 13, 2019.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of August, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.

  
JAMIE S. MANUEL, SECRETARY  
STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #18-08-007

(LEGAL & TITLE CONTROVERSY REPORT)

BHP Billiton Petroleum, Inc –  
Fourth Extension to Negotiate  
Operating Agreement on  
unleased State acreage in  
former SL No 17732

**WHEREAS**, a request by the Staff of the Office of Mineral Resources to grant a fourth extension to the original May 10, 2017 extension to negotiate the terms of an Operating Agreement with BHP Billiton Petroleum, Inc. (BHP) on unleased State acreage;

**WHEREAS**, this unleased State acreage, situated in Sections 20, 29 and 30, Township 16 North, Range 11 West, Bossier Parish, Louisiana, being the same property covered by former State Lease No. 17732 within the HA RA SU 127 and the CV RA SU 45, Elmwood Field, is located in Bossier Parish, Louisiana. It was found that historical production and land issues were far more complicated than originally anticipated, thereby necessitating a request for a second extension;

**WHEREAS**, a third extension was granted by the Board to negotiate the terms of an Operating Agreement on February 2, 2018 until August 8, 2018, and the acreage was removed from commerce until August 8, 2018;

**WHEREAS FURTHER**, Staff recommended this fourth extension be granted by the Board to negotiate terms of an Operating Agreement on the aforementioned unleased State acreage until November 14, 2018;

**ON MOTION** of Mr. Arnold 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 approve the foregoing request for a fourth extension to the original May 10, 2017 extension to negotiate an Operating Agreement as stated above until November 14, 2018.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of August, 2018 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.

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



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #18-08-008

(LEGAL & TITLE CONTROVERSY REPORT)

Castex Energy Partners,  
Inc - Request to Escrow  
Funds Subject to Title  
Dispute - 21676, 21677  
& AO383

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

**WHEREAS**, Castex Energy Partners, Inc. (Castex) has requested authority to escrow funds that are subject to a title dispute between the State of Louisiana (State) and LL&E derived from production on acreage in the Castex Tex L-CIB C RA SUA, LL&E #1 (Serial 250180), Operating Agreement No. AO383 (formerly State Lease Nos. 21628 and 21629), and State Lease Nos. 21676 and 21677, King Lake Field, all located in Terrebonne Parish, Louisiana, until resolution of the dispute between the State and LL&E; and

**WHEREAS**, in response to this request for escrow authority, OMR Staff offered the following recommendation for consideration by the Board:


That the Board approve the authority to escrow funds by Castex derived from production on acreage in a title dispute between the State and LL&E in the Castex Tex L-CIB C RA SUA, LL&E #1 (Serial 250180), Operating Agreement No. AO383 (formerly State Lease Nos. 21628 and 21629), and State Lease Nos. 21676 and 21677, King Lake Field, until February 13, 2019 subject to current Board's escrow protocol.

**ON MOTION** of Mr. Arnold, 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 the Board hereby approves the request by Castex Energy Partners, Inc. to escrow funds derived from production on acreage in a title dispute between the State and LL&E in the Castex Tex L-CIB C RA SUA, LL&E #1 (Serial 250180), Operating Agreement No. AO383 (formerly State Lease Nos. 21628 and 21629), and State Lease Nos. 21676 and 21677, King Lake Field, until February 13, 2019 subject to current Board's escrow protocol.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of August, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.

  
JAMIE S. MANUEL, SECRETARY  
STATE MINERAL AND ENERGY BOARD

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-008-009 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment from CTS Energy LLC to Boomer Exploration LLC, an undivided 2.00% of 8/8<sup>ths</sup> interest in and to State Lease Nos. 21608, 21615 and 21616, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

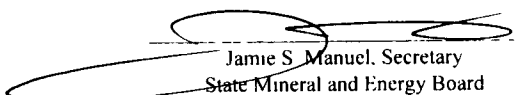
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-008-010 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment and Correction of Assignment from Vistatex Energy, L L C. to SamJam Energy, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos 13893 and 14357, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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


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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-008-011 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment and Correction of Assignment from W. R. (Trey) Sibley, III and James C. Trimble to DeQuincy Holdings, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 13893 and 14357, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

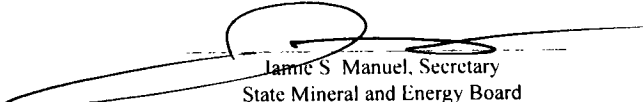
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-008-012 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment and Correction of Assignment from LMO, Ltd to DeQuincy Holdings, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 13893 and 14357, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

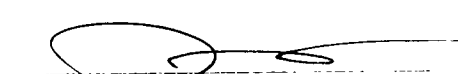
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #18-008-013

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment and Correction of Assignment from Desco Oil Company to DeQuincy Holdings, L.L.C., an undivided 8.00% of 8/8ths interest in and to State Lease Nos. 13893 and 14357, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

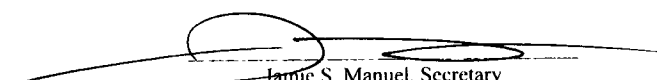
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #18-008-014

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment and Correction of Assignment from Shirley JoAnn Davis, wife of Richard L. Davis, dealing herein with her sole and separate property to DeQuincy Holdings, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 13893 and 14357, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

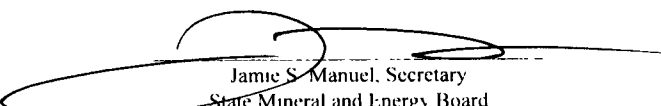
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #18-008-015

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment from The Rudman Partnership, Ltd to Rudman Family Trust, an undivided 50% of Assignor's right, title and interest in and to State Lease Nos 13893 and 14357, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

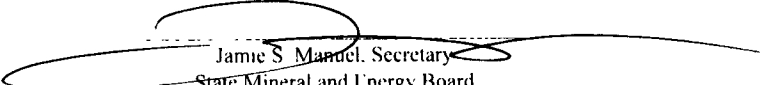
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
Jamie S. Mandel, Secretary  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-008-016 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment from The Rudman Partnership, Ltd. to The MR Trust, of all of Assignor's right, title and interest in and to State Lease Nos. 13893 and 14357, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

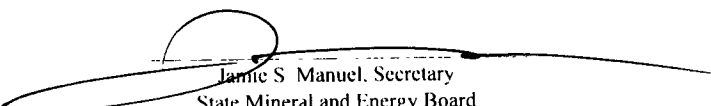
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #18-008-017

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment and Correction of Assignment from The MR Trust to DeQuincy Holdings, L.L.C. an undivided 50% of Assignor's right, title and interest in and to State Lease Nos. 13893 and 14357, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

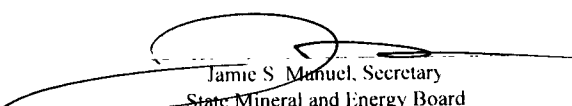
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-008-018 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment from Franks Exploration Company, L.L.C. to FEC Haynesville, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 14400, 14499, 19306 and Operating Agreement "A0224", Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

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

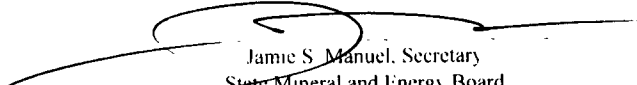
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #18-008-019

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment from Knight Resources L.L.C. by Lucy G. Sikes, as Chapter 7 Trustee for the bankruptcy estate to Badger Oil Corporation, of all of Assignor's right, title and interest in and to State Lease Nos. 21206 and 21137, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

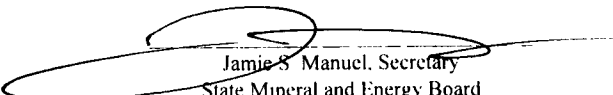
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #18-008-020

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas and Land Services, LLC to Hilcorp Energy I, L.P., of all of Assignor's right, title and interest in and to State Lease Nos 21770, 21771, 21773, 21776 and 21777, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

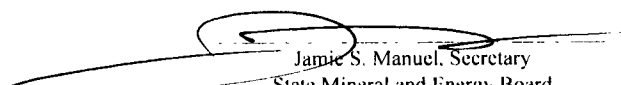
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-008-021 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas & Land Services, LLC to Will-Drill Resources, Inc., of all of Assignor's right, title and interest in and to State Lease No 21797, Allen and Beauregard Parishes, Louisiana, with further particulars being stipulated in the instrument

Will-Drill Resources, Inc. is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

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

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

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

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

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

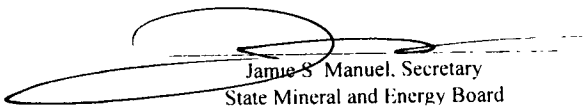
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-008-022 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment from CP Energy, Inc. to CP Exploration Acadia L.P., of all of Assignor's right, title and interest in and to State Lease No. 2669, Acadia Parish, Louisiana, with further particulars being stipulated in the instrument

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

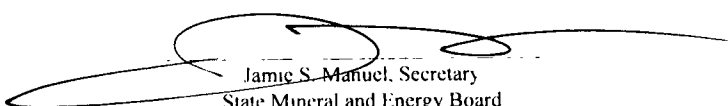
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #18-008-023

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment from GOME 1271 LLC to CC Energy NA, Inc., an undivided 12.34375% of 8/8ths working interest in and to State Lease Nos. 21608, 21615 and 21616, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

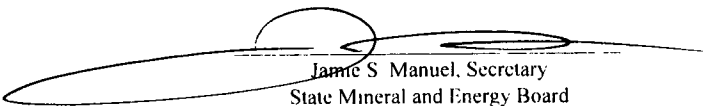
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-008-024 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment from Castex Energy Partners, L.L.C. to CC Energy NA, Inc., an undivided 7 65625% of 8/8ths working interest in an to State Lease Nos. 21608, 21615 and 21616, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

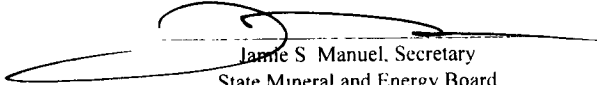
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #18-008-025

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment from TBP Holdings, LLC of Texas to Pointe a la Hache, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos 1212, 1319, 11352 and 16403, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Pointe a la Hache, L.L.C. is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

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

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

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

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

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

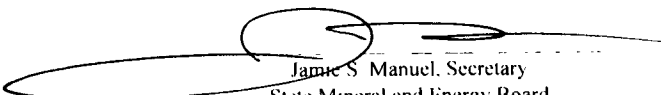
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #18-008-026

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 8, 2018 meeting be approved, said instrument being an Assignment from IBP Holdings, L.L.C. of Texas to Cox Bay, L.L.C. of Delaware, of all of Assignor's right, title and interest in and to State Lease No. 1794, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument

Cox Bay, L.L.C. of Delaware is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

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

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

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

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

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


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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, 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

  
Lamine S. Manuel Secretary

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-008-027 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 19 from the August 8, 2018 meeting be approved, said instrument being an Assignment from Cox Bay, L.L.C. of Delaware to Houston Energy, L.P., of all of Assignor's right, title and interest in and to State Lease No 1794, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

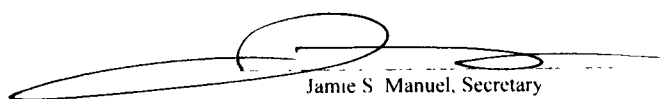
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-008-028 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 20 from the August 8, 2018 meeting be approved, said instrument being an Assignment from Wagon Wheel ArkLaTex, LLC to Monterey Resources LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 14400, 14499 and Operating Agreements "A0224" and "A0275", Caddo Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

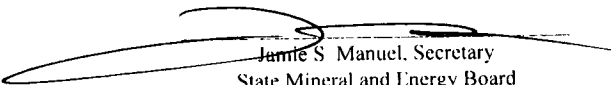
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #18-008-029  
(DOCKET)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 21 from the August 8, 2018 meeting be approved, said instrument being an Assignment from PetroQuest Energy, L.L.C. to Northstar Offshore Ventures LLC, of all of Assignor's right, title and interest in and to State Lease No. 17669, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

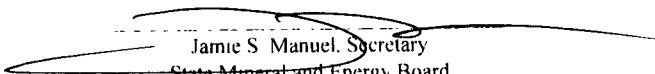
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #18-008-030**

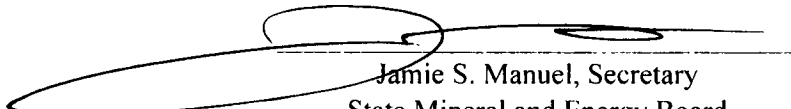
**(DOCKET)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18-16 from the August 8, 2018 meeting be approved, said instrument a Correction of Resolution No. 18-005-011, Docket No. 18-11 from the May 9, 2018 meeting, being a Unitization Agreement by and between the State Mineral and Energy Board for and on behalf of the State of Louisiana, GOME 1271 LLC, Apache Corporation (of Delaware), Castex Energy Partners, LLC, CSL Exploration, LP, CTS Energy LLC and Castex Energy 2016, LP, whereas said resolution incorrectly read...”37.6636 acres being attributable to State Lease No. 21613” and hereby being corrected to read...”199.73 acres being attributable to State Lease No. 21613”, Four League Bay Field, Terrebonne Parish, Louisiana.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of August, 2018 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #18-008-031**

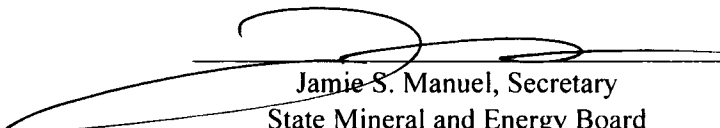
**(DOCKET)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18-17 from the August 8, 2018 meeting be approved, said instrument being a Lease Amendment for the execution of an option to extend the primary term of State Lease No. 21611, said instrument adds an option to extend the Primary Term of said Lease by six (6) month from three (3) years to three years six months (3 years, 6 months), being situated in Four League Bay Field, Terrebonne 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 8<sup>th</sup> day of August, 2018 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #18-008-032**

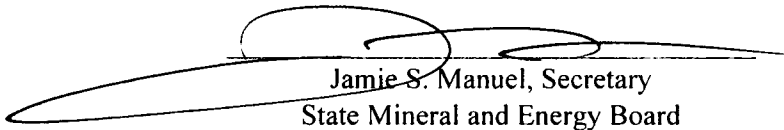
**(DOCKET)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18-18 from the August 8, 2018 meeting be approved, said instrument being a Lease Amendment for the execution of an option to extend the primary term of State Lease No. 21612, said instrument adds an option to extend the Primary Term of said Lease by six (6) month from three (3) years to three years six months (3 years, 6 months), being situated in Four League Bay Field, Terrebonne 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 8<sup>th</sup> day of August, 2018 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #18-008-033**

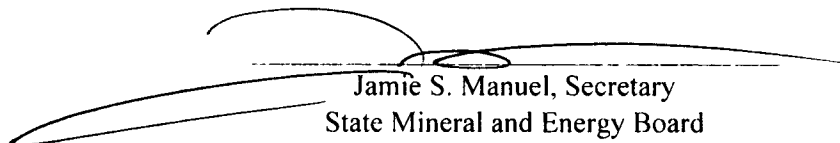
**(DOCKET)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18-19 from the August 8, 2018 meeting be approved, said instrument being a Lease Amendment for the execution of an option to extend the primary term of State Lease No. 21613, said instrument adds an option to extend the Primary Term of said Lease by six (6) month from three (3) years to three years six months (3 years, 6 months), being situated in Four League Bay Field, Terrebonne 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 8<sup>th</sup> day of August, 2018 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #18-008-034**

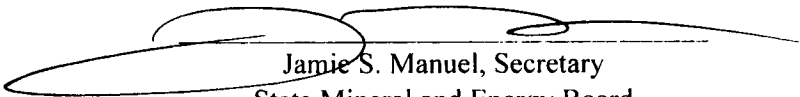
**(DOCKET)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18-20 from the August 8, 2018 meeting be approved, said instrument being a Settlement, Receipt and Release Agreement by and between Hilcorp Energy Company, individually and as General Partner of Hilcorp Energy I, L.P., Chevron U.S.A. Inc., The Plaquemines Parish Government on behalf of itself and the Buras Levee District and the State of Louisiana, acting through its agency, The Louisiana State Mineral and Energy Board and the Department of Natural Resources, whereas said parties have reached a settlement for the mineral production from or attributable to the Unit Well of the 7B RB SUA Unit, created by Commissioner of Conservation Order No. 396-GGG, for Tract Nos 4 and 5, which total 61.393 acres, as shown on said unit plat dated March 17, 2004, which was attached to the Petition in Concursus in the matter entitled Chevron U.S.A Inc. et al v. State of Louisiana, et al, Civil Docket No. 51-097, 25<sup>th</sup> Judicial Court, Plaquemines Parish, Louisiana, Division B, 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 8<sup>th</sup> day of August, 2018 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #18-008-035**

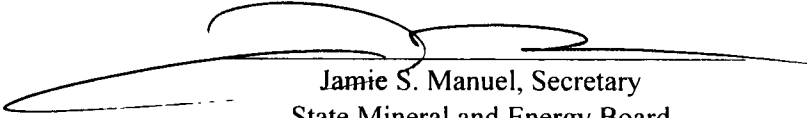
**(DOCKET)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18-21 from the August 8, 2018 meeting be approved, said instrument a Settlement, Receipt and Release Agreement by and between Hilcorp Energy Company, individually and as General Partner of Hilcorp Energy I, L.P., Chevron U.S.A. Inc., The Plaquemines Parish Government on behalf of itself and the Buras Levee District and the State of Louisiana, acting through its agency, The Louisiana State Mineral and Energy Board and the Department of Natural Resources, whereas said parties have reached a settlement for the mineral production from or attributable to the Unit Well of the 7B RB SUA Unit, created by Commissioner of Conservation Order No. 396-GGG, for Tract 1, which total 12.069 acres, as shown on said unit plat dated March 17, 2004, which was attached to the Petition in Concursus in the matter entitled Chevron U.S.A Inc. et al v. State of Louisiana, et al, Civil Docket No. 51-098, 25<sup>th</sup> Judicial Court, Plaquemines Parish, Louisiana, Division B, 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 8<sup>th</sup> day of August, 2018 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion  
Re: Sonat Exploration, et al v. State of LA, # 40,523 & Sonat Exploration, et al v. State of LA, #40,524, 3<sup>rd</sup> JDC, Lincoln Parish, Louisiana

## RESOLUTION # 18-08-036

(EXECUTIVE SESSION)

**WHEREAS**, a discussion was held in Executive Session regarding the matter entitled: Sonat Exploration, et al v. State of Louisiana, Docket No. 40,523 and Sonat Exploration, et al v. State of Louisiana, Docket No. 40,524, filed in the Third Judicial District Court, Lincoln Parish, Louisiana;

**ON MOTION** of Ms. LeBlanc, seconded by Ms. Michaud-Dugas, 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 reject the current offer from the private parties to settle these two (2) matters and to grant Staff the authority to negotiate for settlement with a counter offer in the boundaries set as discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of August, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion  
Re: Settlement Negotiations  
State and ConocoPhillips  
West Bay St. Elaine Field  
Terrebonne Parish, LA

## RESOLUTION # 18-08-037

(EXECUTIVE SESSION)

**WHEREAS**, a discussion was held in Executive Session regarding an update and of ongoing settlement negotiations between the State and disputing landowner, ConocoPhillips, regarding production on acreage in the 86 RA SUA; SL 21092 #1, West Bay St. Elaine Field, Terrebonne Parish, Louisiana;

**ON MOTION** of Mr. Arnold, 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 reject the current offer from Conoco Phillips and counter offer and negotiate as discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of August, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.

  
\_\_\_\_\_  
**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion  
Re: Expert Oil and Gas  
SL#s 18748, 18868 & 19208  
Bayou Perot Field, Jefferson  
& Lafourche Parishes, LA

## RESOLUTION # 18-08-038

(EXECUTIVE SESSION)

**WHEREAS**, a discussion was held in Executive Session regarding Expert Oil and Gas Lease Nos. 18748, 18868 and 19208 in the Bayou Perot Field, Jefferson and Lafourche Parishes, Louisiana;

**ON MOTION** of Mr. Haik, 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 authority to Staff to proceed as recommended in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of August, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

New Business

## RESOLUTION # 18-08-039

(NEW BUSINESS)

**WHEREAS**, a request was made by Mr. Hollenshead that an item be placed on next month's agenda for the Staff to evaluate the possibility of buyers/transporters sending royalty payments directly to our office;

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

**NOW THEREFORE, BE IT RESOLVED** that an item be placed on the September Agenda for the Staff to evaluate the possibility of buyers/transporters sending royalty payments directly to our office.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of August, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



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**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

New Business

## RESOLUTION # 18-08-040

(NEW BUSINESS)

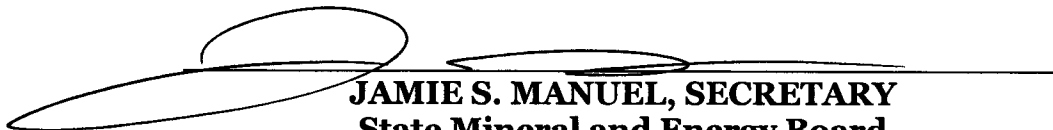
**WHEREAS**, a request was made by Mr. Watkins that the Board be presented with an Open Audit Report at next month's meeting;

**ON MOTION** of Mr. Watkins, 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 Staff will present an Open Audit Report to the Board at the September 12<sup>th</sup>, 2018 meeting.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of August, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**