

MINUTES

STATE MINERAL AND ENERGY BOARD

REGULAR MEETING AND LEASE SALE

AUGUST 14, 2013

STATE MINERAL AND ENERGY BOARD
REGULAR MEETING AND LEASE SALE MINUTES
AUGUST 14, 2013

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on Wednesday, August 14, 2013, beginning at 11:00 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

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

W. Paul Segura, Jr., Chairman
Thomas L. Arnold, Jr., Vice-Chairman
Dan R. Brouillette
Emile B. Cordaro
Stephen Chustz, DNR Secretary
Robert "Michael" Morton
Thomas W. Sanders
Louis J. Lambert
Chip Kline (sitting in for Garret Graves, Governor Jindal's designee to the Board)

There were no members of the Board recorded as absent.

Ms. Talley announced that nine (9) members of the Board were present and that a quorum was established.

Also recorded as present were:

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

The Chairman stated that the first order of business was the approval of the July 10, 2013 Minutes. A motion was made by Mr. Arnold to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Sanders and unanimously adopted by the Board. (No public comment was made at this time.)

Upon motion of Mr. Sanders, seconded by Mr. Arnold, and unanimously adopted by the Board, the Board recessed at 11:03 a.m.

STATE MINERAL AND ENERGY BOARD
Regular Meeting and Lease Sale Minutes
August 14, 2013

Upon motion of Mr. Cordaro, seconded by Mr. Sanders, and unanimously adopted by the Board, the Board reconvened the Lease Review Committee Meeting at 11:03 a.m.

Upon motion of Mr. Sanders, seconded by Mr. Brouillette, and unanimously agreed by the Board, the Board adjourned the Lease Review Committee Meeting and reconvened in open session at 11:10 a.m.

Upon motion of Mr. Morton, seconded by Mr. Arnold, the Board unanimously agreed to come out of recess and back into Regular Session at 11:13 a.m.

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

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

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

At this time, the Chairman announced that the Board would recess its regular meeting at 11:14 a.m. to go into executive session for technical briefing in order to consider matters before the Board which were confidential in nature. A motion was made by Mr. Morton, seconded by Mr. Arnold, and unanimously adopted by the Board.

During the technical briefing, the Board conferred with staff personnel concerning the merit of the bids that were submitted and opened earlier today at a public meeting*, based on geological, engineering and other confidential data and analyses available to the Board and staff, after which, upon motion of Mr. Arnold, seconded by Mr. Brouillette, and unanimously adopted by the Board, the Board reconvened in open session at 11:50 a.m.

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

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

Mr. Vaughn stated that Tract 43399 was a multiple acceptable bid with an overlap. As the result, the Board accepts the bid by Will-Drill Resources. As to the bid by Theophilus Oil, Gas & Land Services, after finalizing the land descriptions, the Board offers Theophilus Oil, Gas & Land Services an option to take the remaining property of its bid minus any property bid by

STATE MINERAL AND ENERGY BOARD
Regular Meeting and Lease Sale Minutes
August 14, 2013

Will-Drill Resources at Theophilus Oil, Gas & Land Services' bid price. This option granted to Theophilus Oil, Gas & Land Services shall be for all depths less and except the depths granted to Will-Drill Resources.

Mr. Vaughn stated on Tract 43406, that the staff recommends accepting the first bid by Hilcorp Energy I. The bid price was for \$363.00 per acre and 25.5% royalty.

Mr. Vaughn stated on Tract 43407, that the staff recommends accepting the first bid by Hilcorp Energy I. The bid price was for \$363.00 per acre and 25.5% royalty.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43388, said portion being 87.000 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43392, said portion being 87.000 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43399 to Will-Drill Resources, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43400 to Patrick L. Donohue Petroleum Properties, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43406, said portion being 169.530 acres more particularly described in said bid and outlined on accompanying plat, to Hilcorp Energy I, L.P.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43407, said portion being 100.680 acres more particularly described in said bid and outlined on accompanying plat, to Hilcorp Energy I, L.P.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43419, said portion being 255.000 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43434, said portion being .740 acres more particularly described in said bid and outlined on accompanying plat, to Strata Acquisitions LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43434, said portion being 13.430 acres more particularly described in said bid and outlined on accompanying plat, to Strata Acquisitions LLC.

STATE MINERAL AND ENERGY BOARD
Regular Meeting and Lease Sale Minutes
August 14, 2013

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43435 to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43437, said portion being 765.620 acres more particularly described in said bid and outlined on accompanying plat, to Pennington Oil & Gas Interests, L.L.C.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43438, said portion being 574.950 acres more particularly described in said bid and outlined on accompanying plat, to Pennington Oil & Gas Interests, L.L.C.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43439 to Texas Edwards, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43440 to Texas Edwards, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43441 to Texas Edwards, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43442 to Texas Edwards, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43443 to Texas Edwards, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 43444, said portion being 65.000 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 43445 to C6 Operating, LLC.

This concluded the awarding of the leases.

The following announcements were then made:

Ms. Talley stated that "the total for today's Lease Sale is \$1,124,182.04, bringing the fiscal year-to-date total to \$1.8 million."

Ms. Talley further stated that "the Annual Oil and Gas Conference starts in two weeks and when checking yesterday, there were currently 381 registrants which is higher than any other conference in the past so a really good turnout is expected this year."

STATE MINERAL AND ENERGY BOARD
Regular Meeting and Lease Sale Minutes
August 14, 2013

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Sanders, seconded by Mr. Lambert, the meeting was adjourned at 11:54 a.m.

Respectfully submitted,



Victor M. Vaughn
Executive Officer
State Mineral and Energy Board

THE FOLLOWING OPENING OF SEALED
BIDS MEETING MINUTES, COMMITTEE
REPORTS AND RESOLUTIONS WERE
MADE A PART OF THE AUGUST 14, 2013
STATE MINERAL AND ENERGY BOARD
REGULAR MEETING AND LEASE SALE
MINUTES BY REFERENCE

STATE MINERAL AND ENERGY BOARD
OPENING OF SEALED BIDS MINUTES
AUGUST 14, 2013

A public meeting for the purpose of opening sealed bids was held on Wednesday, August 14, 2013, beginning at 8:36 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

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

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

August 14, 2013

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

Gentlemen:

Certified proofs of publication have been received in the Office of Mineral Resources on behalf of the State Mineral and Energy Board for the State of Louisiana from the "Advocate," official journal for the State of Louisiana, and from the respective parish journals as evidence that Tract Nos. 43388 through 43445, have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended.

Yours very truly,

(Original signed)

Emile Fontenot
Assistant Director
Petroleum Lands Division

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

STATE MINERAL AND ENERGY BOARD
 Opening of Sealed Bids Minutes
 August 14, 2013

	Tract 43393	
No Bids		
	Tract 43394	
No Bids		
	Tract 43395	
No Bids		
	Tract 43396	
No Bids		
	Tract 43397	
No Bids		
	Tract 43398	
No Bids		
	Tract 43399	
Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$165,600.00
Annual Rental	:	\$82,800.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None
	Tract 43399	
Bidder	:	MRC Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$108,182.40
Annual Rental	:	\$54,091.20
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None
	Tract 43399	
Bidder	:	Will-Drill Resources, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$240,640.00
Annual Rental	:	\$120,320.00
Royalties	:	25% on oil and gas
	:	25% on other minerals

STATE MINERAL AND ENERGY BOARD
 Opening of Sealed Bids Minutes
 August 14, 2013

Additional Consideration : This lease shall be limited from the surface of the earth to 100' below the base of the Cotton Valley Formation or the stratigraphic equivalent thereof, as seen in the Palmer Chandler #1 Well (Srl. #234897), Section 6, Township 15 North, Range 13 West, DeSoto Parish, Louisiana, at the depth of 11,100'.

Tract 43400

Bidder : Patrick L. Donohue Petroleum Properties, Inc.
 Primary Term : Three (3) years
 Cash Payment : \$900.00
 Annual Rental : \$450.00
 Royalties : 22.5% on oil and gas
 : 22.5% on other minerals
 Additional Consideration : None

Tract 43401

No Bids

Tract 43402

No Bids

Tract 43403

No Bids

Tract 43404

No Bids

Tract 43405

No Bids

Tract 43406

(Portion – 169.530 acres)

Bidder : Hilcorp Energy I, L.P.
 Primary Term : Three (3) years
 Cash Payment : \$61,539.39
 Annual Rental : \$30,769.70
 Royalties : 25.5% on oil and gas
 : 25.5% on other minerals
 Additional Consideration : None

STATE MINERAL AND ENERGY BOARD
Opening of Sealed Bids Minutes
August 14, 2013

Tract 43406
(Portion – 169.530 acres)

Bidder	:	Hilcorp Energy I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$71,372.13
Annual Rental	:	\$35,686.07
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 43407
(Portion – 100.680 acres)

Bidder	:	Hilcorp Energy I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$36,546.84
Annual Rental	:	\$18,273.42
Royalties	:	25.5% on oil and gas
	:	25.5% on other minerals
Additional Consideration	:	None

Tract 43407
(Portion – 100.680 acres)

Bidder	:	Hilcorp Energy I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$42,386.28
Annual Rental	:	\$21,193.14
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 43407
(Portion – 100.680 acres)

Bidder	:	Hilcorp Energy I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$36,546.84
Annual Rental	:	\$18,273.42
Royalties	:	25.5% on oil and gas
	:	25.5% on other minerals
Additional Consideration	:	None

No Bids

Tract 43408

STATE MINERAL AND ENERGY BOARD
 Opening of Sealed Bids Minutes
 August 14, 2013

No Bids Tract 43409

No Bids Tract 43410

No Bids Tract 43411

No Bids Tract 43412

No Bids Tract 43413

No Bids Tract 43414

No Bids Tract 43415

No Bids Tract 43416

No Bids Tract 43417

No Bids Tract 43418

Tract 43419
 (Portion – 255.000 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$210,885.00
Annual Rental	:	\$105,442.50
Royalties	:	23.5% on oil and gas
	:	23.5% on other minerals
Additional Consideration	:	None

No Bids Tract 43420

No Bids Tract 43421

STATE MINERAL AND ENERGY BOARD
 Opening of Sealed Bids Minutes
 August 14, 2013

No Bids	Tract 43422
No Bids	Tract 43423
No Bids	Tract 43424
No Bids	Tract 43425
No Bids	Tract 43426
No Bids	Tract 43427
No Bids	Tract 43428
No Bids	Tract 43429
No Bids	Tract 43430
No Bids	Tract 43431
No Bids	Tract 43432
No Bids	Tract 43433

STATE AGENCY TRACTS

Tract 43434
 (Portion – 0.740 acres)

Bidder	:	Strata Acquisitions LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$555.00
Annual Rental	:	\$277.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

STATE MINERAL AND ENERGY BOARD
Opening of Sealed Bids Minutes
August 14, 2013

Tract 43434
(Portion – 13.430 acres)

Bidder	:	Strata Acquisitions LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$7,453.65
Annual Rental	:	\$3,726.83
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 43435

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$152,931.60
Annual Rental	:	\$76,465.80
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 43436

No Bids

Tract 43437
(Portion – 765.620 acres)

Bidder	:	Pennington Oil & Gas Interests, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$202,889.30
Annual Rental	:	\$101,445.00
Royalties	:	23.5% on oil and gas
	:	23.5% on other minerals
Additional Consideration	:	None

Tract 43438
(Portion – 574.950 acres)

Bidder	:	Pennington Oil & Gas Interests, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$152,361.75
Annual Rental	:	\$76,181.00
Royalties	:	23.5% on oil and gas
	:	23.5% on other minerals
Additional Consideration	:	None

STATE MINERAL AND ENERGY BOARD
 Opening of Sealed Bids Minutes
 August 14, 2013

Tract 43439

Bidder	:	Texas Edwards, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$50.30
Annual Rental	:	\$50.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 43440

Bidder	:	Texas Edwards, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$4,572.27
Annual Rental	:	\$4,572.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 43441

Bidder	:	Texas Edwards, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$1.16
Annual Rental	:	\$1.16
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 43442

Bidder	:	Texas Edwards, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$1,343.00
Annual Rental	:	\$1,343.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 43443

Bidder	:	Texas Edwards, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$11,196.78
Annual Rental	:	\$11,196.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

SCHOOL INDEMNITY LANDS TRACT

Tract 43444
(Portion – 65.000 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$7,280.00
Annual Rental	:	\$3,640.00
Royalties	:	21.5% on oil and gas
	:	21.5% on other minerals
Additional Consideration	:	As additional consideration, this lease shall be limited to those depths situated from the surface to a depth of 6,000 feet.

TAX ADJUDICATED LANDS TRACT

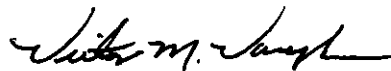
Tract 43445

Bidder	:	C6 Operating, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$6,240.00
Annual Rental	:	\$3,120.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 9:04 a.m.

Respectfully submitted,



Victor M. Vaughn
Executive Officer
State Mineral and Energy Board



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

Lease Review Committee Report

A meeting of the Lease Review Committee of the State Mineral and Energy Board convened on Wednesday, August 14, 2013 at 9:35 a.m. with the following members of the board in attendance: Mr. Dan R. Brouillette, Mr. Stephen Chustz, Mr. Emile B. Cordaro, Mr. Louis J. Lambert, Mr. Robert "Michael" Morton, Mr. Thomas W. Sanders, Mr. Darryl D. Smith, Mr. Chip Kline, sitting in for Garret Graves, Governor Jindal's designee to the State Mineral and Energy Board

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

I. Geological and Engineering Staff Review

According to SONRIS there are 1,843 active State Leases covering almost 770,000 acres. The Geological and Engineering Division has reviewed 166 leases covering approximately 87,000 acres.

II. Committee Review

1. A staff report on **State Lease 192-C**, West Bay Field Selection, Plaquemines Parish. Hilcorp Energy I, L.P. is the lessee.

The staff recommends that the Board accept Hilcorp's report and that Hilcorp shall provide the Board with an update on their lease activities on August 13, 2014.

2. A staff report on **State Lease 199-A-0 and State Lease 199-A-1**, Bay St. Elaine Field Selection, Terrebonne Parish Hilcorp Energy I, L.P. is the operator

The staff recommends that the Board defer action on this lease until October 9, 2013.

3. A staff report on **State Lease 328-A**, Bay Baptiste/Lirette Field Selection, Terrebonne and Lafourche Parishes. Hilcorp Energy I, L.P. is the lessee.

The staff recommends that the Board defer action on this lease until October 9, 2013.

4. A staff report on **State Lease 3306 and 4011**, Redfish Point Field located in Vermilion Parish. Hilcorp Energy I, LP is the lessee.

The staff recommends that the Board defer action on these leases until October 9, 2013.

Items submitted to the Board by Mr. Charles Bradbury, Petroleum Engineer were as follows:

III. Force Majeure

The Staff requests that the State Mineral and Energy Board rescind force majeure recognition for Sylvan Energy affecting State Lease No. 1337.

Updated 07/31/2013


Company Name	Lease Numbers
Leases Off Production Due to Non-Storm Related Force Majeure Events	
Black Elk Energy	14905 (September)
Chevron U. S. A. Inc.	19534, 19536, 19547 (September)
Energy Properties Inc.	725 (September)
Saratoga / The Harvest Group, LLC	A0311 (September)
Stone Energy Offshore, L.L.C.	15074, 17309, A0285 (January'14)
Sylvan Energy	1337 (August)

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

On motion by Mr. Sanders, seconded by Mr. Cordaro, the Committee moved to adjourn the August 14, 2013 meeting at 9:46 a.m.

On motion by Mr. Cordaro, seconded by Mr. Sanders, the Committee reconvened the Lease Review Committee meeting at 11:06 a.m., for clarification of staff discussion regarding the Force Majeure condition extended to Sylvan Energy on July 10, 2013 until August 14, 2013 that ended when Sylvan was unable to take possession of a rig due to their financial situation before July 10, 2013 and the lease had in fact expired. On motion of Mr. Sanders, seconded by Mr. Brouillette, the Committee meeting was adjourned at 11:12 a.m.

Respectfully submitted,



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

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEASE REVIEW COMMITTEE

On motion of Mr. Lambert, seconded by Mr. Brouillette, the following resolution was offered and adopted:

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

WHEREAS, a request was made by Sylvan Energy, LLC (herein "Sylvan") to recognize that a force majeure condition exists for State Lease 1337 in Saint Mary Parish, Louisiana due to availability of a workover rig necessary to complete reworking operations affecting State Lease 1337 beginning December 25, 2012;

WHEREAS, at the July 10, 2013 meeting, the Board extended recognition of the force majeure event until the meeting on August 14, 2013 or until a rig became available whichever came earlier;

WHEREAS, prior to the July 10, 2013 meeting Sylvan was unable to take possession of an available rig to initiate downhole operations;

WHEREAS, Sylvan confirmed to the staff of the Office of Mineral Resources that they were unable to take a rig on August 12, 2013;

WHEREAS, based upon additional information provided by a third party to the staff of the Office of Mineral Resources that the force majeure condition abated beginning on or around April 24, 2013 and the lease expired under its own terms;

WHEREAS, the Office of Mineral Resources Staff having reviewed all previously submitted information, requests that the Board rescind the force majeure recognition extension granted July 10, 2013 and declare that State Lease 1337 expired;

NOW THEREFORE BE IT RESOLVED that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby rescinds July 10, 2013 extension recognition of force majeure event because the actions of the Sylvan Energy abated the condition on or around April 24, 2013. The Board with this action declares that State Lease 1337 expired on or around April 24, 2013. The Board further requires that Sylvan immediately release the acreage associated with SL 1337.

CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 21, 2013 9:29 AM

District Code 1 New Orleans- East
Get Review Date August 14, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
01212		POINTE A LA HACHE	VUG;DELACROIX	965	965	AUG. AR
01319		POINTE A LA HACHE	UL 3A RJ SUA;A J BESHEL ETUX 10/25/2005 462-F-3	63	63	AUG. AR
01349		QUARANTINE BAY	S-4 VUA;	426	661.48	AUG AR
08191		BRETON SOUND BLOCK 20	222414-SL 8191-004 08/11/1998	760	760	AUG. AR
16386		LAKE FORTUNA		264.81	264.81	AUG. RCD HARVEST, PAYING QUANTITIES RPT BY 5/31/13 APR. AR
16935		MAIN PASS BLOCK 26		107.84	107.84	AUG. AR
17086		BAYOU BILOXI	399.336 05/21/2003	27.664	27.664	AUG. AR
17088		BAYOU BILOXI	24.587 08/11/2005	9.413	9.413	AUG. AR
17143		LAKE BORGNE	263.02 07/30/2003	96.4	96.4	AUG. AR
17860		BRETON SOUND BLOCK 53	VUC;SL 17861 07/12/2006	523.7	523.7	AUG. AR
17863		BRETON SOUND BLOCK 53	VUB;SL 17860 07/12/2006	264.66	264.66	AUG. AR
18194		CHANDELEUR SOUND BLOCK 71		270.85	270.85	AUG. AR
18550		MAIN PASS BLOCK 46		296.08	296.08	AUG. AR
18581		COQUILLE BAY	8.64 08/23/2007	12.68	12.68	AUG. AR
19677		SOUTHEAST PASS	239224-J-5 RB SUA;SL 19677-001 01/19/2009	264.766	264.766	AUG. AR NOT*AC 239224
20335				0	530.8	AUG. PT 5/12/15 241877-SL 20335001 SI DH FU 10/18/10
20336				0	153.46	AUG. PT 5/12/15
20344				0	296.84	AUG. ONLY ALLOWED ILR DUE 5/12/13 PAID TO 11/12/13 245634-SL 20344001 PT 5/12/13
20602				0	1236	AUG. PT 5/11/14
20603				0	2499	AUG PT 5/11/14
20604				0	1395	AUG. PT 5/11/14
20605				0	843	AUG. PT 5/11/14
20606				0	968	AUG. PT 5/11/14

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 21, 2013 9:29 AM

District Code 1 New Orleans- East
 Get Review Date August 14, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
20607				0	1409	AUG. PT 5/11/14
20614				0	135.89	AUG. PT 5/11/14 TAX ADJUDICATED
20615				0	28.8	AUG. PT 5/11/14 VACANT STATE LAND
20616				0	40	AUG. PT 5/11/14 VACANT STATE LAND
20617				0	40	AUG. PT 5/11/14 VACANT STATE LAND
20618				0	438.8	AUG. PT 5/11/14 VACANT STATE LAND
20943				0	83	AUG. PT 5/9/15
20944				0	316	AUG. PT 5/9/15 10/3/12 JPT: GOLDKING PROP'G BB-1A ZONE RA IN TIGER PASS, INCLUDING PORTION
20945				0	75	AUG. PT 5/9/15

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 21, 2013 9:29 AM

District Code 1W New Orleans- West

Get Review Date August 14, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00192C		WEST BAY	VU60;SL 192 PP	6825	20600	AUG. OB HLCP MEETING BY 6/12/13 W/ DEFINITE POD ON NP AC 192 C, WEST BAY.
02383		LITTLE LAKE	SL 2383	92	980	AUG. RCD 5/23/13 SHORELINE LTR
02453		LITTLE LAKE	VUB,	375	596.63	AUG. AR
02552		BURRWOOD	BURR T RA SU 11/16/2010 850-B 10-1187	101.8	333.2	AUG AR
03278		LAKE RACCOURCI	221994-VUB;LR UB-007 04/25/1998	238.56	238.56	AUG AR
03382		SOUTH PASS BLOCK 24	727 10/07/2008	148	148	AUG. AR
03723		LAKE RACCOURCI	O R370 SUA;SL 15029 06/01/1997	217.83	217.83	AUG. AR
04219		BAYOU HENRY	UMT SUM;WILBERT E 07/01/1976	2.11	2.36	AUG. AR
05986		BAYOU BLEU	32.85 02/08/1984	12.15	12.15	AUG. AR
09637		BOURG	104.26 05/28/1993	393.669	393.669	AUG. AR
12036		BAY BATISTE	211632-SL 12036 SWD- 002 05/12/1990	484.897	484.897	AUG. AR
12499		BAY BATISTE	219.46 05/31/1991	150.54	150.54	AUG. AR
13407		MANILA VILLAGE	7.97 01/13/2006	77.21	77.21	AUG. AR
13566		DRAKES BAY	10.041 03/07/2008	1.854	1.854	AUG. AR
14142		NAPOLEONVILLE	STRAY RA SUB;DUGAS-LEBLANC 06/15/1999 140-T	2.7	2.7	AUG. AR
14534		SATURDAY ISLAND	223045-VUA,SL 14534- 005 05/10/1999	186.87	186.87	AUG. AR
15421		MORGANZA	335 01/24/2000	243	243	AUG. 4/24/13 PROD THRU 1/24/13 DOWNHOLE OPERATIONS ONGOING WOCR PER JPT;
16709		LITTLE LAKE	82.458 08/26/2002	97.389	97.389	AUG. AR
17140		BAYOU VILLARS		505.79	505.79	AUG. AR
17714		STELLA	8750 RA SUA;MEYER ETAL 02/17/2004 27-J 04-127	1.93	1.93	AUG. AR

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 21, 2013 9:29 AM

District Code 1W New Orleans- West

Get Review Date August 14, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
18146		LITTLE LAKE		160	400	AUG. AR
18603		BAY MARCHAND BLOCK 2 OFFSHORE		101.06	101.06	AUG. AR (SMEB GRANTED 1ST ILR PAID 12/3/12 TO 6/3/13)
20609				0	23	AUG. PT 5/11/14
20926				0	140	AUG. PT 5/9/17
20927				0	484	AUG. PT 5/9/17
20928				0	577.99	AUG. PT 5/9/15
20936				0	705.11	AUG. PT 5/9/15
20937				0	100	AUG. PT 5/9/15
20938				0	455.77	AUG. PT 5/9/15
20939				0	17.72	AUG. PT 5/9/15
20940				0	265.55	AUG. PT 5/9/15
20941				0	677.31	AUG. PT 5/9/15
20942		LAFITTE	7100 RE SUA;LL&E LAFITTE 12/08/2009 76-CC-4	3.589	139	AUG. PR RQD 5/24/13 RS JMB: 3.589 HBP 5/9/13 EFF 1/1/13 JMB: 227730 051198 1700 RE SUA W/OOC APPROVED 3/1/13 PLAT PT 5/9/15

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 21, 2013 9:29 AM

District Code 2 Lafayette

Get Review Date August 14, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00199A	1	BAY ST ELAINE	VU4;BSE U4	182	495	AUG. OB RCD 4/10/13 HLCF POD TO INCLUDE DRLG NEW WELL. 7/2/13 AJL HBP FROM SEVERAL UNITS. 7/2/13 AJL HBP FROM SEVERAL UNITS. 7/3/13 AW ALL OF SL 199 BSE IS HBP FROM SEV TITLE UNITS; THIS PORTION OF SL 199 IS PROD. ONLY IN TITLE UNIT 4. A PREV. DEV. LETTER SENT TO HILCORP ON THE ENT OF SL 199 BSE THAT HAS RES. IN THE NECTY FOR A MEETING WITH HILCORP. PRIOR TO 8/13, TO DISCUSS DEV. DEMANDS ON ALL OF THEIR NON-PUGH CLAUSE LEASES.
00199A	0	BAY ST ELAINE	VU4;BSE U4	2358	2358	AUG. OB RCD 4/10/13 HLCF POD, TO INCLUDE DRLG NEW WELL. 7/2/13 AJL HBP FROM SEVERAL UNITS. 7/3/13 AW ALL OF SL 199 BSE IS HELD BY PRODUCTION IN SEVERAL TITLE UNITS; THIS PORTION OF SL 199 IS PRODUCTIVE IN TITLE UNITS 3, 12, 13,14,15,& 16. A PREVIOUS DEVELOPMENT LETTER SENT TO HILCORP ON THE ENTIRETY OF SL 199 BSE THAT HAS RESULTED IN THE NECESSITY FOR A MEETING WITH HILCORP. PRIOR TO AUGUST 2013, TO DISCUSS DEVELOPMENT DEMANDS ON ALL OF THEIR NON-PUGH CLAUSE LEASES.
00199B	2	LAKE BARRE	VU29;LB U29	144	566.99	AUG. AR RCD 4/30/13 HLCF REPOSE TO >>1/3/13 OMR TO HLCF POD/ REL BY 5/8/13;; 7/3/13 AW ALL OF SL 199 LAKE BARRE IS HBP IN SEV. TITLE UNITS; THIS PORTION OF SL 199 PRES. HAS NO PROD. ACRES. A PREV. DEVT LETTER SENT TO HILCORP ON THIS PORTION OF SL 199 HAS RES. IN THE NEC. FOR A MEETING WITH HILCORP. PRIOR TO 8/2013, TO DISC. DEVEL. DEMANDS ON ALL OF THEIR NON-PUGH CLAUSE LEASES.
00301A	1	CAILLOU ISLAND	23-23 A-D RA SUA;SL 301 05/07/2013 411-BBBBB 13-204	120	515.74	AUG AR 7/3/13 AW CHG THE PROD. AC ON THIS PORTION OF SL 301 TO 120 ACRES.
00301A	0	CAILLOU ISLAND	23-23 A-D RA SUA;SL 301 05/07/2013 411-BBBBB 13-204	2345	5363.48	AUG. AR 7/3/13 AW HBP FROM MULTIPLE UNITS AND LEASE WELLS
00328A		BAY BAPTISTE	185	0	630	AUG OB 7/2/13 AJL HBP FROM

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 21, 2013 9:29 AM

District Code 2 Lafayette

Get Review Date August 14, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			01/09/2012			3 UNITS. 6/12/13 HILCORP COMMIT TO NEW WELL/ ST/RECOMP OR REL ALL NP AC
00334	0	SOUTH PASS BLOCK 24 , VERMILION BAY	1340.157 06/28/2005	2700	3021.018	AUG. AR 7/3/13 AW HBP FROM LEASE PRODUCTION
00340D	7	MOUND POINT	25297.83 07/09/2013	0	384	AUG. 7/3/13 AW HAS NO PROD. WELLS; A PREV. DEV. LETTER SENT TO HILCORP ON THIS PORT. OF SL 340 MOUND POINT THAT HAS RESULTED IN THE NECESSITY FOR A MEETING WITH HILCORP, PRIOR TO AUGUST 2013, TO DISC. DEV. DEMANDS ON ALL OF THEIR NON-PUGH CLAUSE LEASES.
00340D	2	MOUND POINT	25297.83 07/09/2013	0	2340	AUG. 7/3/13 AW HAS NO PRODUCING WELLS; A PREV. DEV. LETTER SENT TO HILCORP ON THIS PORTION OF SL 340 MOUND POINT THAT HAS RESULTED IN THE NECESSITY FOR A MEETING WITH HILCORP, PRIOR TO AUGUST 2013, TO DISCUSS DEV. DEMANDS ON ALL OF THEIR NON-PUGH CLAUSE LEASES.;
00340D	4	MOUND POINT	25297.83 07/09/2013	0	168	AUG. 7/3/13 AW HAS NO PROD. WELLS; A PREV. DEV. LETTER SENT TO HILCORP ON THIS PORTION OF SL 340 MOUND POINT THAT HAS RESULTED IN THE NECESSITY FOR A MEETING WITH HILCORP, PRIOR TO AUGUST 2013, TO DISC. DEV. DEMANDS ON ALL OF THEIR NON-PUGH CLAUSE LEASES.
00340H	0	COTE BLANCHE BAY, EAST		1400	5959	AUG. 7/3/13 AW THIS PORTION OF SL 340-H IS HELD BY MULTIPLE UNITS AND LEASE WELLS. REQUEST ENERGY QUEST II MEET WITH THE STAFF BY THE END OF 2013.
00340H	0	COTE BLANCHE BAY, WEST		1400	5959	AUG. 7/3/13 AW THIS PORTION OF SL 340-H IS HELD BY MULTIPLE UNITS AND LEASE WELLS. REQUEST ENERGY QUEST II MEET WITH THE STAFF BY THE END OF 2013.
00340H	0	COTE BLANCHE ISLAND		1400	5959	AUG. 7/3/13 AW THIS PORTION OF SL 340-H IS HELD

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 21, 2013 9:29 AM

District Code 2 Lafayette

Get Review Date August 14, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00725		BAY JUNOP	14100 RA SUA;LL&E A 09/01/1997	361	409.78	BY MULTIPLE UNITS AND LEASE WELLS. REQUEST ENERGY QUEST II MEET WITH THE STAFF BY THE END OF 2013.
02234		HOLLYWOOD	SOUTHDOWN SUGARS 06/26/2007 276-Z 07-679	34.614	34.614	AUG. AR 7/2/13 AJL HBP FROM 2 UNITS.
02856	0	CAILLOU ISLAND	U-W1 RA SUA;SL 2856 11/15/2012 411-UUUU-2 09-204	377	806	AUG. AR 7/3/13 AW HBP IN 3 UNITS (U-W1 RA SUA, LWR X R080 SUA, AND LWR 14,000 RA SU)
02857		CAILLOU ISLAND	670.22 03/28/2005	131.62	131.62	AUG AR 7/1/13 APP EXP REQ REL PER ANDEW L
03057		LAC BLANC	56 RA SUA;SL 3055 08/14/2007 1028-L 07-858	7.3	380.642	AUG. 7/3/13 AW SL IS HBP BY THE UNIT (56 RA SUA; SL 3055); NEW ACTIVITY ON THE SL 3/9/13 (WSN 70039) WHERE HILCORP MADE AN UNSUCCF. ATTEMPT TO COMPLETE IN THE 71 SD. IT IS ANTIC. THAT THIS SL WILL BE INCLUDED IN THE UPCOMING WITH ON HILCORP, PRIOR TO 8/13, TO DISC. LEASE DEV. ON ALL OF HILCORP NON PUGH CLAUSE LEASES.
03132		LAKE SAND, EAST	46.638 07/02/2004	85.649	85.649	AUG. AR 7/2/13 AJL HBP FROM 1 UNIT.
03306		REDFISH POINT	I-K RA SUA;SL 3306 05/08/2012 834-J 12-261	800	1527.39	AUG OB 7/3/13 AW HBP IN 2 UNITS (15,500 RA SU AND N RA SUA); IT IS ANTICIP. THAT LEASE WILL BE INCL. IN THE MEET WITH ON HILCORP, PRIOR TO 8/13, TO DISC. LEASE DEV. ON ALL OF HILCORP NON PUGH CLAUSE LEASES. RCD 4/10/13 HLCP DEFINITE POD FOR NP SL AC (4/30/13JPT&VMV MOVED FROM 5 TO 6/13OB)
03317		LAKE SAND	LSA ROB 5 RA SU 216-C-1	101	255.48	AUG. AR 7/2/13 AJL HBP FROM 2 UNITS. 2 UNITS ON THE LEASE (NO WELL ON THE LEASE).
04011		REDFISH POINT	410.11 12/17/2010	400	1265.65	AUG OB 7/3/13 AW HBP IN 2 UNITS (15,500 RA SU AND N RA

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 21, 2013 9:29 AM

District Code 2 Lafayette

Get Review Date August 14, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
05623		JEANERETTE	VUA;S B ROANE	14 654	48	SUA); IT IS ANTIC. THAT THIS SL WILL BE INCL. IN THE MEET WITH HILCORP, PRIOR TO 8/13, TO DISC LEASE DEV. ON ALL OF HILCORP NON PUGH CLAUSE LEASES.
10251		LAKE SAND, EAST	226688-VUA,SL 10251-001 01/04/2002	274.351	274.351	AUG. AR 7/3/13 AW HBP IN 1 UNIT (RC 3 RA SUB; SL 10251)
11233		PASS WILSON		212.92	212 92	AUG. AR 7/2/13 AJL HBP FROM LEASE WELL.
13828		BRANCH	20.43 06/14/1996	2 57	2.57	AUG. AR 7/3/13 AW HBP IN 1 UNIT (NB 2 RC SUA; FRANK A BRUNER)
14520		MYETTE POINT, NW	551.524 07/14/2010	641.476	641.476	AUG. AR 7/2/13 AJL HBP FROM 1 UNIT.
14912		MYETTE POINT, NW	395.376 07/21/2010	148.524	148.524	AUG. AR 7/3/13 AW HBP IN 1 UNIT (VUD; SL 14520)
15074		SOUTH PELTO BLOCK 1		160	333.03	AUG 7/2/13 AJL HELD BY IN LIEU ROYALTIES FM EXTENDED TO 1/8/2014. 5TH ILR PD 4/4/13 TO 10/4/13
15785		BAY ST ELAINE	45.915 02/09/2009	7.093	7.093	AUG. AR 7/3/13 AW HBP IN 1 UNIT (VUB; SL 16790)
16510		LAKE PELTO	232039-VUA;SL 16510-001 10/20/2005	464.076	464 076	AUG. AR 7/2/13 AJL HBP FROM 1 UNIT.
16511		LAKE PELTO	SL 16705 07/12/2000	147.82	147.82	AUG. AR 7/3/13 AW HBP IN 1 UNIT (VUA; SL 16705)
16790		BAY ST ELAINE	242 979 10/13/2005	196.021	196.021	AUG. AR 7/2/13 AJL HBP FROM 2 UNITS
17036		PASS WILSON	SL 17038 11/14/2001	45	45	AUG. AR 7/3/13 AW HBP IN 1 UNIT (VUC; SL 17038); WRITE LTR REQ. INC. PROD.
17037		PASS WILSON	SL 17038 11/14/2001	54	54	AUG. AR 7/2/13 AJL VUC;SL 17038 HAS BEEN PRDG ABOUT EVERY 3RD MO SINCE 5/12, AND PROD. HAS NOT BEEN THAT GREAT. WRITING LETTER OF DEVELOPMENT.
17038		PASS WILSON	SL 17038 11/14/2001	217.76	217.76	AUG. AR 7/3/13 AW HBP IN 1 UNIT (VUC; SL 17038), WRITE LTR REQ INCR PROD.

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 21, 2013 9:29 AM

District Code 2 Lafayette
Get Review Date August 14, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review-In
17040		PASS WILSON	SL 17038 11/14/2001	264	264	AUG. AR 7/2/13 AJL VUC;SL 17038 PRDG ABOUT EVERY 3RD MO SINCE 5/12. DEV LTR IS WARRANTED.
17309		SHIP SHOAL BLOCK 67		279.97	279.97	AUG. 7/3/13 AW HBP OF LEASE WELL (WSN 226789), UNDER F.M. DUE TO PIPELINE ISSUE, WELL CURR. SHUT-IN
17423		PATTERSON	681.811 04/14/2003	7.189	7.189	AUG AR 7/2/13 AJL HBP FROM 1 UNIT.
17729		CAILLOU ISLAND		395.81	395.81	AUG. AR 7/3/13 AW HBP OF 2 SL WELLS (WSN 232938 AND 242674), THE LATTER CURRENTLY SHUT-IN SINCE 10/12
17755		LAKE BOUDREAUX	46 873 06/11/2008	33.277	33.277	AUG. AR 7/2/13 AJL ROUTE SHEET REQD; VUD;SL 5351 NO PROD. SINCE 2/13.
18345		BAY ST ELAINE	12900 RA SUA,BSE U9 01/23/2008 567-U 08-69	2.34	2.34	AUG. AR 7/3/13 AW HBP IN 1 UNIT (12900 RA SUA)
18378		BUCK POINT		447	447	AUG. AR 7/2/13 AJL HBP FROM LEASE WELL.
19022		RABBIT ISLAND		210.71	210.71	AUG. AR 7/3/13 AW HBP OF LEASE WELL (WSN 234069)
19266		EUGENE ISLAND BLOCK 10 , EUGENE ISLAND BLOCK 6	CIB OP EI 10 VUC;SL 19266 01/27/2012	1436.26	1436.26	AUG. AR 7/3/13 AW HBP IN 2 UNITS (VUA; SL 18860 AND CIB OP EI 10 VUC; SL 19266) AND 2 LEASE WELLS (WSN 237197 AND 236684)
19269		EUGENE ISLAND BLOCK 10	CIB OP EI 10 VUC;SL 19266 01/27/2012	847.485	941.65	AUG. AR 7/2/13 AJL HBP FROM A UNIT AND LEASE PRODUCTION.
19663		IOTA	3.894 08/13/2010	2.257	2.257	AUG 7/3/13 AW RS STARTED; > 90 DAYS LAPSE OF PROD
20053		MURPHY LAKE	MARG V RA SUB;STOCKSTILL 07/12/1998 1056-A-3 88-368	14	14	AUG. AR 7/2/13 AJL HBP FROM 1 UNIT
20539		WEEKS ISLAND	U RA SUA;SL 743 11/27/2012 146-Z-9 12-594	2.593	9	AUG. 7/1/13 EFF 11/1/12 AJL REV 534468, REV. ACRES PER OOC;; PT 2/9/14
20920				0	9	AUG. PT 5/9/15 RENTAL PAYMENT RECEIVED 5/2/13
20921				0	10	AUG REL RQD 5/24/13 PT 5/9/15 7/2/13 AJL NO RENTALS PAID FOR THIS YEAR, RELEASE HAS BEEN REQUESTED.

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 21, 2013 9:29 AM

District Code 2 Lafayette
Get Review Date August 14, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
20924				0	164	AUG. PT 5/9/17 7/3/13 AW RENTAL PAYMENT RECEIVED 4/8/13
20925				0	261	AUG. 7/2/13 AJL HELD BY RENTAL PAYMENT ON (04/08/2013) PT 5/9/17
20929				0	215	AUG. PT 5/9/17 7/3/13 AW RENTAL PAYMENT RECEIVED 4/8/13; POSSIBLE UNITIZATION ISSUE WITH ORD 375-D(?)
20930				0	92	AUG 7/2/13 AJL HELD BY RENTAL PAYMENT ON (04/08/2013) PT 5/9/17
20931				0	36	AUG PT 5/9/17 7/3/13 AW RENTAL PAYMENT RECEIVED 4/8/13
20932				0	43	AUG. 7/2/13 AJL HELD BY RENTAL PAYMENT ON (04/08/2013) PT 5/9/17
20946		LAKE BARRE		160	362.86	AUG. 245273-SL 20946001 GAS PRDG TO 4/13 PT 5/9/15
20959				0	207.32	AUG. 7/2/13 AJL HELD BY RENTAL PAYMENT ON (04/23/2013) PT 5/9/15
20960				0	1 13	AUG PT 5/9/17 VACANT STATE LAND 7/3/13 AW RENTAL PAYMENT RECEIVED 4/8/13
F0006		EUGENE ISLAND BLOCK 18	112 66 06/02/2009	40.42	40.42	AUG. AR (6/15/75) 7/2/13 AJL HBP FROM 1 UNIT.

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 21, 2013 9:29 AM

District Code 3 Lake Charles- North
Get Review Date August 14, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
03366		CADDO PINE ISLAND		39	39	AUG. AR 6/21/13 SAM: HBP
03987		CADDO PINE ISLAND		80	80	AUG. AR 6/21/13 SAM: SPORATIC PRD UNTIL CONT PRD 11/12-4/13 VIC RCD. INFO NEEDED 4-10-13 2ND LTR 2- 13-13 LEASE MTNCE/REL RQD 12-13-12
04778		NATCHEZ FERRY , VIDALIA, SOUTH	SL 13505 07/01/1998	259	259	AUG. AR 6/21/13 SAM: HBP
05933		ELM GROVE	LCV RA SU66;WILLIS 10/15/2002 361-E-71 02-645	36	50	AUG. AR 6/21/13 SAM: HBP
06086		DANVILLE	HOSS A SUJJ;C N WALTON ET AL B 10/01/1979	40	40	AUG. AR 6/21/13 SAM: HBP
07028		CASPIANA	HA RA SU127;FRIERSON 12 H 10/06/2009 191-H-65 09-1086	39.41	39.41	AUG. AR 6/21/13 SAM: HBP
10643		LONGWOOD	BOD RA SUQ,E T CURRIE A 08/01/1983	5	5	AUG. AR 6/21/13 SAM: HBP
10965		ELM GROVE	HA RA SU53;GARDNER 13 03/17/2009 361-L-26 09-299	69.11	69 11	AUG. AR 6/26/13 SAM: CHANGED 101.13 TO 69 11 PER SRVY PLATS. 6/21/13 SAM: HBP
13190		ELM GROVE	HA RA SUJ;ELM GROVE PLNTN 20 H 09/16/2008 361-L-5 08-1404	12 175	12 175	AUG. AR 6/21/13 SAM: HBP 12/26/12 EFF 3/1/10 SAM 231725 606097 CV RA SU37
13966		UNIONVILLE	MCC RA SUA; J.C. COLVIN B 06/01/1991	27	27	AUG. AR 6/21/13 SAM: 604868, 606447 & 607185 PRDG 3/13
16717		ELM GROVE	LCV RA SU79; 03/12/2013 361-E-594 13-101	29.179	29.179	AUG. AR 6/21/13 SAM: HBP BAYOU PIERRE RE-SURVEYED AT NORMAL WATER LEVELS 2010 REDUCED AC AMTS.
16827		CATAHOULA LAKE	WX A RC SU117; 07/24/2012 773-F-20 12-464	17	17	AUG AR 6/21/13 SAM: HBP
17124		CASPIANA , SWAN LAKE , THORN LAKE	HA RA SUT;ANTROBUS 22- 15-11 H 07/14/2009 691-C-10 09-752	36.886	36.886	AUG. AR 6/21/13 SAM: HBP
18182		ELM GROVE	HA RA SU94;FRIERSON 29 H 11/10/2009 361-L-66 09-1187	35.58	35.58	AUG. AR 6/21/13 SAM: HBP
18635		CASPIANA	HA RB SUF,CANNISNIA 34 H	189.35	189.35	AUG. AR 6/21/13 SAM: HBP



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 21, 2013 9:29 AM

District Code 3 Lake Charles- North
 Get Review Date August 14, 2013

Lease Num	DA	Field	Latest lease-Activity	Productive Acreage	Present Acreage	Flagged for Review In
			05/28/2008 191-H-6			
18641		ELM GROVE	HA RA SUZZ;POWERS 21 H 01/27/2009 361-L-20 09-134	21	21	AUG. AR 6/21/13 SAM: HBP
18951		CATAHOULA LAKE	179.59 07/15/2011	80	80	AUG. AR 6/21/13 SAM: HBP
19768		RED RIVER-BULL BAYOU	HA RD SUDD;AWTBEGOOD 19-14-11H 04/27/2010 109-X-96 10-438	8.02	8.02	AUG. AR 6/21/13 SAM: HBP
19786		ELM GROVE	HA RA SU69;WILLIS ETAL 36 H 06/23/2009 361-L-40	94.53	94.53	AUG. AR 6/21/13 SAM: HBP VACANT STATE LANDS
19846		CONVERSE	HA RA SUC;BSM 31 H 04/07/2009 501-G 09-376	31.15	31.15	AUG. AR 6/21/13 SAM: 31.15 AC 100% HBP PER PLATS (40 LEASED AC CHANGED)
20141		RED RIVER-BULL BAYOU	HA RC SUII;CHK MIN 11-13-12 H 07/13/2010 109-X-108 10-753	15.65	15.65	AUG. AR 6/21/13 SAM: HBP TAX ADJUDICATED LAND
20373		CONVERSE	HA RA SUO;SUSTAINABLE FST 11 H 04/07/2009 501-G 09-376	161.086	161.086	AUG. 6/21/13 SAM. SUGGEST AR, 100% HBP, AC PER SRVY PLATS PT 7/14/13;;
20404		KING HILL , REDOAK LAKE	158.32 10/19/2012	14.68	14.68	AUG. 6/21/13 SAM: SUGGEST AR 100% HBP PT 8/11/13
20919				0	6.43	AUG. 6/21/13 SAM: QLD SHOWS RECD COPY OF RELEASE - WAITING FOR CERTIFIED 4-23-13 PT 5/9/15

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 21, 2013 9:29 AM



District Code 3S Lake Charles- South
Get Review Date August 14, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
04080		LITTLE PECAN LAKE	728.4 07/11/1979	113	292.6	AUG. AR 6/21/13 SAM; HBP
04183		LITTLE PECAN LAKE	11900 RA SUA; MILLER 07/01/1990	66	304.6	AUG. AR 6/21/13 SAM; HBP
07715		ELBA	5.365 07/09/2008	9.449	9.449	AUG. AR 6/21/13 SAM; HBP
07716		ELBA	19.795 07/09/2008	12.864	12.864	AUG. AR 6/21/13 SAM; HBP
15155		NIBLETT BLUFF	295 03/30/1999	120	120	AUG. AR 6/21/13 SAM; HBP
15726		NIBLETT BLUFF	66 03/09/1999	15	15	AUG. AR 6/21/13 SAM; HBP
16128		SUGARTOWN	6.013 07/10/2000	14.987	14.987	AUG. AR 6/21/13 SAM; HBP
18155		PROFIT ISLAND	29 05/23/2007	20.892	20.892	AUG. AR 6/21/13 SAM; HBP
18506		MALLARD BAY	162.921 05/21/2008	31.079	31.079	AUG. AR 6/21/13 SAM; HBP
19095		SABINE LAKE, SOUTH		212.52	212.52	AUG. AR 6/21/13 SAM; HBP
20610		LITTLE CHENIERE	6.35 10/09/2012	2.65	2.65	AUG. 6/21/13 SAM; START RS 5/1/13 SAM; 2.65 PRD AC, HAS NOT PRD IN 60 DAYS. NO ROYALTY PMTS EVER UNDER LUW 051054, WSN 243693. PT 5/11/14
20922				0	518.68	AUG. 6/21/13 SAM; 2013 RNTL PD PT 5/9/15
20923				0	62	AUG. 6/21/13 SAM; 2013 RNTL PD PT 5/9/15
20953				0	289.561	AUG. 6/21/13 SAM, 2013 RNTL PD PT 5/9/15
20954				0	403 749	AUG. 6/21/13 SAM; 2013 RNTL PD PT 5/9/15
20956				0	1351.47	AUG. PT 5/9/15 5/24/13 REL RQD. 5/22/13 APP EXP REQ REL PER SAM R
20957				0	1463 62	AUG. 5/24/13 REL RQD. 5/22/13 APP EXP REQ REL PER SAM R PT 5/9/15
20958				0	677.7	AUG. 5/24/13 REL RQD. 5/22/13 APP EXP REQ REL PER SAM R PT 5/9/15
166				35,011.817	86,578.566	



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

NOMINATION AND TRACT COMMITTEE REPORT

The Nomination and Tract Committee, convened at **9:42 a.m.** on Wednesday, **August 14, 2013** with the following members of the Board in attendance:

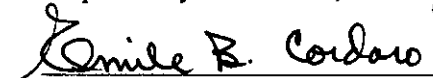
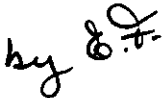
Mr. Stephen Chustz	Mr. Emile B. Cordaro	Mr. Dan R. Brouillette
Mr. Robert M. Morton	Mr. Thomas W. Sanders	Mr. Darryl D. Smith
Mr. Paul Segura, Jr.	Mr. Louis J. Lambert	Mr. Chip Kline (sitting in for Garret Graves, Gov. Jindal's Designee)

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the October 9, 2013 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Brouillette**, duly seconded by **Mr. Sanders**, the Committee voted unanimously to recommend to the Board the granting of authority to the staff to advertise all such tracts as have been reviewed by the State Land Office and the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report presented by Mr. Fontenot.

A request was made by Acadian Land Services to advertise for an Exclusive Geophysical Agreement. On the motion of **Mr. Sanders**, duly seconded by **Mr. Brouillette**, the Committee voted unanimously to allow Acadian Land Services request to advertise for an Exclusive Geophysical Agreement.

The Committee, on the motion of **Mr. Brouillette**, seconded by **Mr. Sanders**, voted to adjourn at **9:44 a.m.**

Respectfully Submitted,

by 

Emile B. Cordaro

Chairman

Nomination and Tract Committee

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

NOMINATION AND TRACT COMMITTEE

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

WHEREAS, Mr. Emile Fontenot presented to the State Mineral and Energy Board that 43 tracts had been nominated for the October 9, 2013 Mineral Lease Sale, and that same are to be advertised pending staff review; now therefore

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 14th day of August 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

NOMINATION AND TRACT COMMITTEE

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

WHEREAS, the Staff presented to the Board a request by Acadian Land Services to advertise for an Exclusive Geophysical Agreement.

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

NOW, BE IT THEREFORE RESOLVED, that the State Mineral and Energy Board does hereby approve and authorize Acadian Land Services request to advertise for an Exclusive Geophysical Agreement.

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 14th day of August 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



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

AUDIT COMMITTEE REPORT

The regular meeting of the Audit Committee of the State Mineral and Energy Board was held on Wednesday, August 14, 2013, following the Nomination and Tract Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building, located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Thomas L. Arnold, Jr. (9:53am)
Dan R. Brouillette
Stephen Chustz

Emile B. Cordaro
Chip Kline
Louis J. Lambert

Robert "Michael" Morton
Thomas W. Sanders
W. Paul Segura, Jr.
Darryl D. Smith

Mr. Emile B. Cordaro convened the Committee at 9:45 a.m.

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

Upon recommendation of the staff and upon motion of Mr. Sanders, seconded by Mr. Brouillette, the committee voted unanimously to approve the 75% penalty waiver of \$92,668.57.

The second matter considered by the committee was a penalty waiver request from Petrohawk Energy, LLC.

Upon recommendation of the staff and upon motion of Mr. Brouillette, seconded by Mr. Sanders, the committee voted unanimously to approve the 75% penalty waiver of \$7,789.97.

The third matter considered by the Committee was a penalty waiver request from Petrohawk Energy, LLC.

Upon recommendation of the staff and upon motion of Mr. Sanders, seconded by Mr. Segura, the committee voted unanimously to approve the 75% penalty waiver request of \$21,843.35.


The fourth matter considered by the Committee was a recoupment request from Gulf Production Company.

Upon recommendation of the staff and upon motion of Mr. Lambert, seconded by Mr. Smith, the committee voted unanimously to approve the recoupment request of \$38,118.90.

The fifth matter considered by the Committee was the election of the August 2013 gas royalty to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

No action required.

On motion of Mr. Sanders, seconded by Mr. Smith, the Board voted unanimously to adjourn the Audit Committee at 9:58 a.m.



Emile B. Cordaro, Acting Chairman
Audit Committee

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

AUDIT COMMITTEE

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

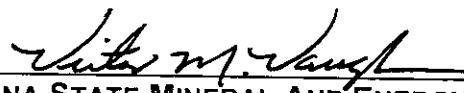
WHEREAS, Petrohawk Energy, LLC has made a letter application for reduction of penalties assessed in the amount of \$10,386.63 due to late royalty payments in Elm Grove (3608), Swan Lake (8823), Caspiana (2360), Red River-Bull Bayou (7651), Sligo (8358), Gahagan (3998), Redoak Lake (7644), Thomas Branch (8913), and Woodardville (9803); State Leases 17124, 17127, 18503, 18605, 18606, 18635, 19532, 19695, 19756, 19759, 19760, 19762, 19763, 19764, 19766, 19832, 20039, 20075, 20109, 20114, 20287, and 20354; and

WHEREAS, the Mineral Income Division has verified that the underpayment of royalties was discovered and paid by Petrohawk Energy, LLC and does recommend that a portion of the penalty be waived;

THEREFORE, BE IT RESOLVED that the Board does waive seventy-five percent (75%), which amounts to \$7,789.97 of the total penalty assessed to Petrohawk Energy, LLC.

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 14th day of August 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



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

AUDIT COMMITTEE

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

WHEREAS, Petrohawk Energy, LLC has made a letter application for reduction of penalties assessed in the amount of \$29,124.47 due to late royalty payments in Caspiana (2360), Red River-Bull Bayou (7651), Swan Lake (8823), Elm Grove (3608), and Lake Bistineau (5096); State Leases 19125, 19695, 19759, 19761, 19763, 19764, 19786, 19830, 19832, and 20355; and

WHEREAS, the Mineral Income Division has verified that the underpayment of royalties was discovered and paid by Petrohawk Energy, LLC and does recommend that a portion of the penalty be waived;

THEREFORE, BE IT RESOLVED that the Board does waive seventy-five percent (75%), which amounts to \$21,843.35 of the total penalty assessed to Petrohawk Energy, LLC.

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 14th day of August 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



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

AUDIT COMMITTEE

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

WHEREAS, Petrohawk Energy, LLC has made a letter application for reduction of penalties assessed in the amount of \$123,558.10 due to late royalty payments in Johnson Branch (4780), Caspiana (2360), Metcalf (6688), Bethany Longstreet (1464), Swan Lake (8823), and Thorn Lake (8918); State Leases 19125, 19695, 19759, 19760, 19763, 19764, 19766, 19786, 19830, 19832, 19887, 20109, and 20173; and

WHEREAS, the Mineral Income Division has verified that the underpayment of royalties was discovered and paid by Petrohawk Energy, LLC and does recommend that a portion of the penalty be waived;

THEREFORE, BE IT RESOLVED that the Board does waive seventy-five percent (75%), which amounts to \$92,668.57 of the total penalty assessed to Petrohawk Energy, LLC.

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 14th day of August 2013, 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.

A handwritten signature in cursive script, appearing to read "Anita M. Smith".

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

AUDIT COMMITTEE

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

WHEREAS, Gulf Production Company, Inc. has made a letter application for an adjustment of \$27,069.58 for the Main Pass Block 49 Field, State Lease 18014 and 18164; and

WHEREAS, this amount was based on Gulf Production Company, Inc. submitting an overpayment of gas royalties based on incorrect volumes and values for the period of December 2006 and January 2007 in the Main Pass Block 49 Field; and

WHEREAS, the Mineral Income Division has verified that an overpayment in the amount of \$38,118.90 was made and that the applicant is entitled to a credit adjustment; and

WHEREAS, the State Mineral and Energy Board after reviewing the work of the Mineral Income Division, agrees that the applicant is entitled to an adjustment, does recommend that the State allow Gulf Production Company, Inc. to recoup the \$38,118.90 overpayment.

NOW, BE IT THEREFORE RESOLVED, that the Board does authorize and direct the Mineral Income Director to effectuate the credit adjustment of \$38,118.90 to Gulf Production Company, Inc. on a one-time or lump sum basis or on such terms deemed necessary by the Director, which are legally permissible, and without prejudice to any other rights of the state.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



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

LEGAL AND TITLE CONTROVERSY COMMITTEE REPORT

The regular meeting of the Legal and Title Controversy Committee of the State Mineral and Energy Board was held on August 14, 2013, following the Audit Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Secretary Stephen Chustz
Mr. Emile B. Cordaro
Mr. Louis J. Lambert
Mr. Dan R. Brouillette
Mr. Robert "Michael" Morton

Mr. Thomas W. Sanders
Mr. W. Paul Segura, Jr.
Mr. Darryl David Smith
Mr. Thomas L. Arnold, Jr.
Mr. Chip Kline
(for Garret Graves, Governor's Designee)

The Legal and Title Controversy Committee was called to order by Mr. Sanders at 9:58 a.m.

The first matter considered by the Committee was an update by Staff to the Mineral and Energy Board on the Revised State Lease Form.

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

The second matter considered by the Committee was a request by Staff for the Mineral and Energy Board to amend a 1967 Unitization Agreement affecting State Lease Nos. 1706, 3498, 3317, and 2276 for the Revised Reservoirwide Unit for LSA OP I RA SU, Lake Sand Field, Iberia and St. Mary Parishes, Louisiana.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Brouillette, the Committee voted unanimously to recommend that the State Mineral and Energy Board approve the amendment to the 1967 Unitization Agreement affecting State Lease Nos. 1706, 3498, 3317, and 2276 for the Revised Reservoirwide Unit for LSA OP I RA SU, Lake Sand Field, Iberia and St. Mary Parishes, Louisiana. No comments were made by the public.

The third matter considered by the Committee was a request by Clayton Williams Energy, Inc. for authority to negotiate with Staff for an Operating Agreement covering portions of former State Lease Nos. 20500 and 20514, falling within the 9,400'-BIG T RB SUA, being Unit Tract Nos. 2,4,5,7,8 and 10, situated in Jefferson Parish, Louisiana, and that the acreage in question be deemed unavailable for leasing until November 13,

2013, or until an operating agreement is perfected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Clayton Williams Energy, Inc. authority to negotiate with Staff for an Operating Agreement covering portions of former State Lease Nos. 20500 and 20514, falling within the 9,400'-BIG T RB SUA, being Unit Tract Nos. 2,4,5,7,8 and 10, situated in Jefferson Parish, Louisiana, and that the acreage in question be deemed unavailable for leasing until November 13, 2013, or until an operating agreement is perfected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first. No comments were made by the public.

The fourth matter considered by the Committee was a request by Staff for Board approval to amend the primary term of State Lease Nos. 20571, 20572, 20573, 20574, 20575, 20576 and 20811, Cameron Parish, Louisiana, from three (3) years to six (6) years.

Upon recommendation of the staff and upon motion of Mr. Brouillette, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant approval to amend the primary term of State Lease Nos. 20571, 20572, 20573, 20574, 20575, 20576 and 20811, Cameron Parish, Louisiana, from three (3) years to six (6) years. No comments were made by the public.

The fifth matter considered by the Committee was a request by QEP Energy Company for a second extension of time for previously granted authority to negotiate for an Operating Agreement on February 13, 2013, covering approximately 600 acres of title disputed lands located in Sections 12, 13 and 14, Township 14 North, Range 12 West, Red River Parish, Louisiana, until November 13, 2013.

Upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant QEP Energy Company's request for a second extension of time for previously granted authority to negotiate for an Operating Agreement on February 13, 2013, covering approximately 600 acres of title disputed lands located in Sections 12, 13 and 14, Township 14 North, Range 12 West, Red River Parish, Louisiana, until November 13, 2013. No comments were made by the public.

The sixth matter considered by the Committee was a request by Chevron U.S.A. Inc., for a waiver of all or a portion of the liquidated damage assessment levied on the late assignment of State Lease Nos. 4183, 7964, 8191 and 14371 in the amount of \$1,000.00.

Upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Chevron U.S.A. Inc. a full waiver of the liquidated damage assessment levied on the late

assignment of State Lease Nos. 4183, 7964, 8191 and 14371 in the amount of \$1,000.00. No comments were made by the public.

The seventh matter considered by the Committee was a request for final approval of a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral Board and Saratoga Resources, Inc., on behalf of its wholly-owned subsidiary Harvest Oil & Gas, LLC, whereas said parties desire to amend State Lease No. 17156, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 13-25.

Upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral Board and Saratoga Resources, Inc., on behalf of its wholly-owned subsidiary Harvest Oil & Gas, LLC, on the docket as Item No. 13-25. No comments were made by the public.

The eighth matter considered by the Committee was a request for final approval of an Act of Correction of that certain Unitization Agreement, effective December 14, 2011, by and between the State of Louisiana, Castex Energy II, LLC, Castex Energy 2008, L.P., Apache Corporation, Petsec Exploration & Production LLC and GOME 1271, LLC, whereas said parties desire to correct language in the original Unitization Agreement and delete and replace the Exhibit B with a new Exhibit B, affecting State Lease Nos. 20221, 20367, 20368, 20369, 20528, 20529, 20530 and 20753, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 13-26.

Upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of an Act of Correction of that certain Unitization Agreement, effective December 14, 2011, by and between the State of Louisiana, Castex Energy II, LLC, Castex Energy 2008, L.P., Apache Corporation, Petsec Exploration & Production LLC and GOME 1271, LLC, on the docket as Item No. 13-26. No comments were made by the public.

Upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Legal and Title Controversy Committee meeting adjourned at 10:18 a.m.

Upon motion of Mr. Segura, seconded by Mr. Arnold, the Legal and Title Controversy Committee reconvened at 11:04 a.m.

Thomas W. Sanders by *L.F.*

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

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

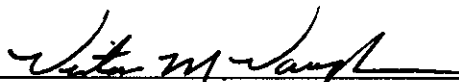
WHEREAS, a request was made by Staff for the Mineral and Energy Board to amend a 1967 Unitization Agreement affecting State Lease Nos. 1706, 3498, 3317, and 2276 for the Revised Reservoirwide Unit for LSA OP I RA SU, Lake Sand Field, Iberia and St. Mary Parishes, Louisiana;

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

NOW, BE IT THEREFORE RESOLVED that the Committee recommends that the State Mineral and Energy Board approve the amendment to the 1967 Unitization Agreement affecting State Lease Nos. 1706, 3498, 3317, and 2276 for the Revised Reservoirwide Unit for LSA OP I RA SU, Lake Sand Field, Iberia and St. Mary Parishes, Louisiana.

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 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

WHEREAS, a request was made by Clayton Williams Energy, Inc. for authority to negotiate with Staff for an Operating Agreement covering portions of former State Lease Nos. 20500 and 20514, falling within the 9,400'-BIG T RB SUA, being Unit Tract Nos. 2,4,5,7,8 and 10, situated in Jefferson Parish, Louisiana, and that the acreage in question be deemed unavailable for leasing until November 13, 2013, or until an operating agreement is confected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant Clayton Williams Energy, Inc. authority to negotiate with Staff for an Operating Agreement covering portions of former State Lease Nos. 20500 and 20514, falling within the 9,400'-BIG T RB SUA, being Unit Tract Nos. 2,4,5,7,8 and 10, situated in Jefferson Parish, Louisiana, and that the acreage in question be deemed unavailable for leasing until November 13, 2013, or until an operating agreement is confected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first.

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 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

WHEREAS, a request was made by Staff for Board approval to amend the primary term of State Lease Nos. 20571, 20572, 20573, 20574, 20575, 20576 and 20811, Cameron Parish, Louisiana, from three (3) years to six (6) years;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant approval to amend the primary term of State Lease Nos. 20571, 20572, 20573, 20574, 20575, 20576 and 20811, Cameron Parish, Louisiana, from three (3) years to six (6) years.

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 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

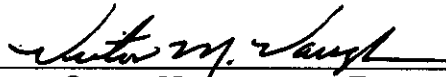
WHEREAS, a request was made by QEP Energy Company for a second extension of time for previously granted authority to negotiate for an Operating Agreement on February 13, 2013, covering approximately 600 acres of title disputed lands located in Sections 12, 13 and 14, Township 14 North, Range 12 West, Red River Parish, Louisiana, until November 13, 2013;

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

NOW, BE IT THEREFORE RESOLVED that the Committee recommends that the State Mineral and Energy Board grant QEP Energy Company's request for a second extension of time for previously granted authority to negotiate for an Operating Agreement on February 13, 2013, covering approximately 600 acres of title disputed lands located in Sections 12, 13 and 14, Township 14 North, Range 12 West, Red River Parish, Louisiana, until November 13, 2013.

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 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

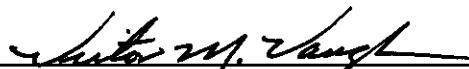
WHEREAS, a request was made by Chevron U.S.A. Inc., for a waiver of all or a portion of the liquidated damage assessment levied on the late assignment of State Lease Nos. 4183, 7964, 8191 and 14371 in the amount of \$1,000.00;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant Chevron U.S.A. Inc. a full waiver of the liquidated damage assessment levied on the late assignment of State Lease Nos. 4183, 7964, 8191 and 14371 in the amount of \$1,000.00.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

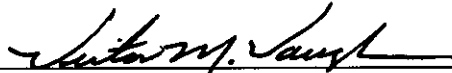
WHEREAS, a request was made for final approval of a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral Board and Saratoga Resources, Inc., on behalf of its wholly-owned subsidiary Harvest Oil & Gas, LLC, whereas said parties desire to amend State Lease No. 17156, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 13-25;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant final approval of a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral Board and Saratoga Resources, Inc., on behalf of its wholly-owned subsidiary Harvest Oil & Gas, LLC, on the docket as Item No. 13-25.

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 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

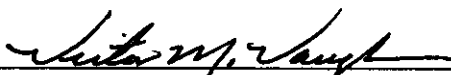
WHEREAS, a request was made for final approval of an Act of Correction of that certain Unitization Agreement, effective December 14, 2011, by and between the State of Louisiana, Castex Energy II, LLC, Castex Energy 2008, L.P., Apache Corporation, Petsec Exploration & Production LLC and GOME 1271, LLC, whereas said parties desire to correct language in the original Unitization Agreement and delete and replace the Exhibit B with a new Exhibit B, affecting State Lease Nos. 20221, 20367, 20368, 20369, 20528, 20529, 20530 and 20753, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 13-26;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant final approval of an Act of Correction of that certain Unitization Agreement, effective December 14, 2011, by and between the State of Louisiana, Castex Energy II, LLC, Castex Energy 2008, L.P., Apache Corporation, Petsec Exploration & Production LLC and GOME 1271, LLC, on the docket as Item No. 13-26.

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 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

BOBBY JINDAL
GOVERNOR



STEPHEN CHUSTZ
SECRETARY

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

DOCKET REVIEW COMMITTEE REPORT

The Docket Review Committee convened at 10:22 a.m. on Wednesday, August 14, 2013. Board Members present were Mr. Stephen Chustz, DNR Interim Secretary, Mr. W. Paul Segura, Jr., Mr. Thomas L. Arnold, Jr., Mr. Emile Cordaro, Mr. Thomas W. Sanders, Mr. Darryl D. Smith, Mr. Robert "Michael" Morton, Mr. Louis J. Lambert, Mr. Dan R. Brouillette and Chip Kline (sitting in for Garret Graves, Governor Jindal's designee to the State Mineral and Energy Board).

The Committee made the following recommendations:

Approve State Agency Leases A and B on pages 1 and 2;


Approve all Assignments on pages 3 through 11; Docket No. 17 on page 8 would be withdrawn at the request of the applicant;

Approve the following items upon recommendation of the Legal and Title Controversy Committee: Docket Item Nos. 13-25 and 13-26 on page 12.

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

There being no further business to come before the committee, upon motion of Mr. Sanders, and seconded by Mr. Brouillette, the committee voted unanimously to adjourn the meeting at 10:24 a.m.

Respectfully submitted,



Louis J. Lambert
Docket Review Committee

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the August 14, 2013 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Calcasieu Parish Police Jury, dated July 3, 2013, awarded to Duncan Oil Partners, LLC, covering lands located in the Southwest Quarter of Section 14, Township 8 South, Range 11 West, Calcasieu Parish, Louisiana, containing 5.227 acres, more or less, with further contractual obligations being more particularly enumerated in the instrument.

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item B from the August 14, 2013 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Board of Commissioners, Atchafalaya Basin Levee District, dated June 14, 2013, awarded to Interstate Explorations, I.L.C, covering lands located in Section 24, Township 10 South, Range 10 East, West Baton Rouge Parish, Louisiana, containing 25.42 acres, more or less, with further contractual obligations being more enumerated in the instrument.

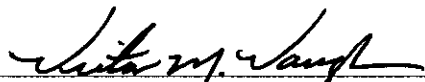
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

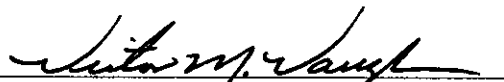
On motion of Mr. Sanders, seconded by Mr. Brouillette, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13-26 from the August 14, 2013, Meeting be approved, said instrument being an Act of Correction of that certain Unitization Agreement, effective December 14, 2011, by and between the State of Louisiana, Castex Energy II, LLC, Castex Energy 2008, L.P., Apache Corporation, Petsec Exploration & Production LLC and GOME 1271, LLC, whereas said parties desire to correct language in the original Unitization Agreement and delete and replace the Exhibit B with a new Exhibit B, affecting State Lease Nos. 20221, 20367, 20368, 20369, 20528, 20529, 20530 and 20753, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment from Castex Energy Partners, L.P. to BTA Oil Producers LLC, 25.575% of Assignor's right title and interest in and to State Lease No. 19774, St. Charles Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

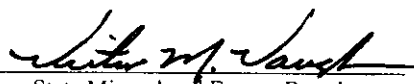
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment from Forest Oil Corporation to Apache Corporation, of all of Assignor's right, title and interest in and to State Lease No. 1008, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

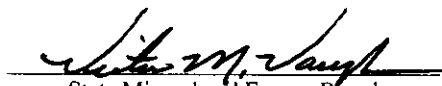
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

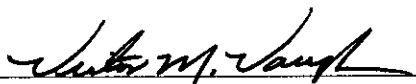
LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders, seconded by Mr. Brouillette, 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 14, 2003. Meeting be approved, said instrument being a Correction of Resolution No. 5 from the May 8, 2013 Meeting, being a Correction of Resolution No. 21 from the August 8, 2012 Meeting, being an Assignment from Curtis Younts, Jr., et ux to KSH Energy Fund GmbH and Co., KG Co., whereas said resolution incorrectly read...”of all of Assignor’s right, title and interest” and is hereby being corrected to read...an undivided 70% of Assignor’s right, title and interest”. affecting State Lease No. 15500, DeSoto 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 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being a Merger whereby Redley Company is merging with and into Schoy Energy Limited Partnership, affecting State Lease Nos 5849, 5933, 5978, 6856 and 6932, Bossier and Caddo Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being a Change of Name whereby Sklar & Phillips Oil Co. is changing its name Phillips Energy, Inc., affecting State Lease No 5913, Iberville Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being a Change of Name whereby Sklar & Phillips, Inc. to Phillips Oil & Gas, Inc., affecting State Lease No. 4724, Bienville Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment from Toce Energy, L.L.C. to Atomic Capital Oil & Gas, LLC, an undivided 15% of 8/8ths interest in and to State Lease No 19354, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

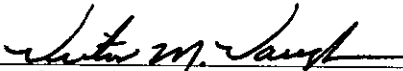
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment from Toce Energy, L.L.C., an undivided 11.25% of 8/8ths interest to the following in the proportions set out below

Perfect Harmony, LLC	4.50% of 8/8ths
B H Acorns, LLC	4.50% of 8/8ths
Kilauea, LLC	2.25% of 8/8ths

in and to State Lease No. 19354, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment from Toce Energy, L.L.C., an undivided 4 50% of 8/8ths interest to the following in the proportions set out below:

BBF 45, LLC	2 25% of 8/8ths
Miss Evelyn, L.L.C	2.25% of 8/8ths

in and to State Lease No 19354, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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


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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment from Gregco Resources, Inc., Opal Investments Limited Partnership, L.P., Steele Creek energy, LLC and PetroQuest Resources, Inc to Toce Energy, L.L.C., of all of Assignor's right, title and interest in and to State Lease No. 19354, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment from The Chalkley Exploration Group, L.L.C. to Toce Energy, L.L.C., of all of Assignor's right, title and interest in and to State Lease No. 19354, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

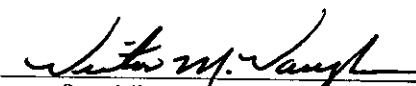
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment from Toce Energy, L.L.C. to Blackfire LLC, an undivided 14% of 8/8ths right, title and interest in and to State Lease No. 19354, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

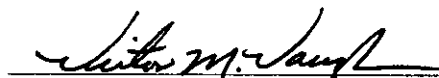
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment and Correction of Assignment from Nearburg Exploration Company, L.L.C., an undivided 67% of Assignor's right, title and interest to the following in the proportions set out below:

Royal Energy Partners, Ltd.	26.25%
The Rudman Partnership, Ltd.	12.50%
Diverse Exploration L.P.	16.50%
Tauber Exploration & Production Co.	5.00%
Texas Republic Petroleum Company, Inc.	6.75%

in and to State Lease No. 18506, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

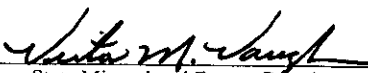
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment from Nearburg Exploration Company, L.L.C., Royal Energy Partners, Ltd., Diverse Exploration L.P., The Rudman Partnership, Ltd., Tauber Exploration & Production Co. and Texas Republic Petroleum Company, Inc. to Toce Energy, L.L.C., of all of Assignor's right, title and interest in and to State Lease No. 18506, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment from Cypress Energy Corporation to Houston Energy, L.P., of all of Assignor's right, title and interest in and to State Lease Nos 21162, 21163 and 21164, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment from Marlin Coastal, L.L.C. to Shoreline Southeast LLC, of all of Assignor's right, title and interest in and to State Lease No. 19778, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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


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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders, seconded by Mr. Brouillette, 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 14, 2003, Meeting be withdrawn at the request of the staff, said instrument being an Assignment from PetroQuest Energy, L.L.C., of an undivided interest to the following in the proportions set out below:

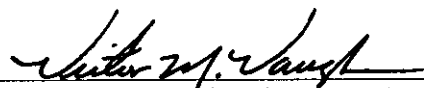
Yuma Exploration and Production Company, Inc. ^o	5.00000% of 8/8ths
JGC Energy Development (USA) Inc.	12.07351% of 8/8ths
Gulf Coast Mid West Energy Capital #5, LP	1.20735% of 8/8ths
The Chalkley Exploration Group, L.L.C.	4.8294% of 8/8ths
Stone Energy Offshore, L.L.C.	44.09288% of 8/8ths

in and to State Lease No. 21013, Iberia and Vermilion Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment from Stone Energy Offshore, LLC, an undivided 25.00% of 8/8ths to the following in the proportions set out below

Goodrich Leasehold, LLC	9.375% of 8/8ths
Goodrich Management Company, Inc.	6.250% of 8/8ths
KB Energy, L.L.C.	9.375% of 8/8ths

in and to State Lease No. 15612, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment from Flare Resources Inc., of all of Assignor's right, title and interest to the following in the proportions set out below.

Discover E&P LLC	13.75%
RHS Enterprises, LLC	13.75%

in and to State Lease No. 20344, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment from Flare Resources Inc., of all of Assignor's right, title and interest to the following in the proportions set out below

Discover E&P L.L.C.	15.125%
RHS Enterprises, LLC	15.125%

in and to State Lease No. 20835, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

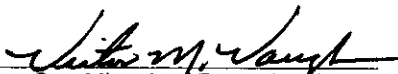
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Brouillette, 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 14, 2013 Meeting be approved, said instrument being an Assignment from Flare Resources Inc., of all of Assignor's right, title and interest to the following in the proportions set out below:

Discover E&P LLC	20 000%
RHS Enterprises, LLC	20.000%

in and to State Lease No 19663, Acadia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 22 from the August 14, 2013 Meeting be approved, said instrument being an Assignment from HEP Partners, L.P to Okie Operating Company Ltd., of all of Assignor's right, title and interest in and to State Lease No 14371, Iberville Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers from the surface to the base of the Frio Formation, with further particulars being stipulated in the instrument.

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 23 from the August 14, 2013 Meeting be approved, said instrument being a Merger whereby HEP Partners, L.P. is merging with and into Chevron Midcontinent, L.P., affecting State Lease Nos 4183, 7964, 8191 and 14371, Acadia, Cameron, Iberville and Plaquemines Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 24 from the August 14, 2013 Meeting be approved, said instrument being an Assignment from Winchester Production Company to Long Petroleum, L.L.C., an undivided 46% of Assignor's right, title and interest in and to State Lease No. 18353, DeSoto Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


State Mineral and Energy Board

RESOLUTION

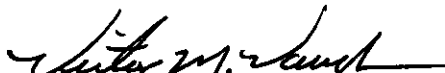
LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 25 from the August 14, 2003, Meeting be approved, said instrument being a Correction of Resolution No. 5 from the May 8, 2013 Meeting, being a Change of Name from Petro-Hunt Corporation to Hunt Dominion Corporation, whereas State Lease No. 571 was added to said resolution and is hereby being deleted and State Lease No. 517 was omitted from said resolution and is hereby being added, affecting State Lease Nos. 517, 571 and 5653, Acadia and Evangeline Parishes, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

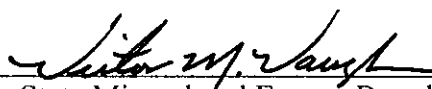
On motion of Mr. Sanders, seconded by Mr. Brouillette, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13-25 from the August 14, 2013, Meeting be approved, said instrument being a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral Board and Saratoga Resources, Inc., on behalf of its wholly-owned subsidiary Harvest Oil & Gas, LLC, whereas said parties desire to amend State Leas No. 17156, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of August, 2013 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board