

MINUTES

STATE MINERAL AND ENERGY BOARD

LEASE SALE AND BOARD MEETING

JULY 10, 2019



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

Opening of Bids
July 10, 2019

A public meeting for the purpose of opening sealed bids was held on Wednesday, July 10, 2019, beginning at 8:30 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Emile Fontenot presided over the meeting. He then read the letter of notification certifying the legal sufficiency of the advertisement of Tract Nos. 45169 through 45178 which were published for lease by the Board at today's sale.

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

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 Fontenot stated that there were no tracts to be withdrawn from today's Lease Sale.

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

Tract 45169

Bidder	:	Cypress Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$18,235.00
Annual Rental	:	\$9,117.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 45170

Bidder	:	Brix Operating, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$45,228.75
Annual Rental	:	\$22,614.38
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 45171

Bidder	:	Vine Oil & Gas LP
Primary Term	:	Three (3) years
Cash Payment	:	\$6,175.00
Annual Rental	:	\$3,087.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 45172

Bidder	:	Brix Operating LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$9,230.00
Annual Rental	:	\$4,615.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 45173

Bidder	:	Brix Operating LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$6,241.25
Annual Rental	:	\$3,120.63
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 45174

Bidder	:	The Lafayette Exploration Company, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$17,888.00
Annual Rental	:	\$8,944.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 45176

(Portion Bid: 674.78 acres)

Bidder	:	Mack Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$168,695.00
Annual Rental	:	\$84,347.50
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 45177
(Portion Bid: 510.858 acres)

Bidder	:	Texas Petroleum Investment Company
Primary Term	:	Three (3) years
Cash Payment	:	\$178,800.30
Annual Rental	:	\$89,400.15
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

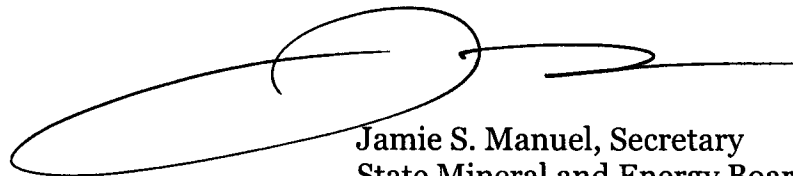
Tract 45178
(Portion Bid: 300 acres)

Bidder	:	Texas Petroleum Investment Company
Primary Term	:	Three (3) years
Cash Payment	:	\$105,000.00
Annual Rental	:	\$52,500.00
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 8:41 a.m.

Respectfully Submitted,



Jamie S. Manuel, Secretary
State Mineral and Energy Board

JOHN BEL EDWARDS
GOVERNOR



THOMAS F. HARRIS
SECRETARY

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

REGULAR MEETING
July 10, 2019

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, July 10, 2019**, beginning at 9:35 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

I. CALL TO ORDER

Ms. Carol R. LeBlanc, Vice-Chair, called the meeting to order.

II. ROLL CALL

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

Carol R. LeBlanc, Vice-Chair
Thomas F. Harris, DNR Secretary
Rochelle A. Michaud-Dugas
Robert D. Watkins
J. Todd Hollenshead
Theodore M. "Ted" Haik, Jr.
Emile B. Cordaro (arrived at 9:54 a.m. during discussion of the Audit Report)

The following members of the Board were recorded as absent:

W. Paul Segura, Jr., Chairman
Thomas L. Arnold, Jr.
Kyle "Chip" Kline, Jr.
Byron L. Lee

Mr. Manuel announced that seven (7) members of the Board were present when the roll call was taken and that a quorum was established.

III. PLEDGE OF ALLEGIANCE

The Vice-Chair led the Board in reciting the Pledge of Allegiance to the Flag of the United States of America.

IV. APPROVAL OF THE JUNE 12, 2019 MINUTES

The Vice-Chair stated that the first order of business was the approval of the June 12, 2019 Minutes. A motion was made by Mr. Harris to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Ms. Michaud-Dugas and unanimously adopted by the Board. (No public comment was made at this time.)

The Vice-Chair then stated that the next order of business was the presentation of the following Staff Reports:

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

VI. STAFF REPORTS

- a) Lease Review Report**
presented by Jason Talbot, Geology Supervisor
and Charles Bradbury, Engineering Supervisor
Geology, Engineering & Land Division
- b) Nomination and Tract Report**
presented by Emile Fontenot, Petroleum Lands Director
Geology, Engineering & Land Division
- c) Audit Report**
presented by Rachel Newman, Audit Director
Mineral Income Division
- d) Legal and Title Controversy Report**
presented by Emile Fontenot, Petroleum Lands Director
Geology, Engineering & Land Division
- e) Docket Review Report**
presented by Emile Fontenot, Petroleum Lands Director
Geology, Engineering & Land Division

a) LEASE REVIEW REPORT
July 10, 2019
 (Resolution No(s). 19-07-001 thru 19-07-002)

I. GEOLOGICAL AND ENGINEERING STAFF REVIEW

According to the SONRIS database, there are 1,167 active State Leases containing approximately 488,975 acres. Since the last Lease Review Report, the Geological and Engineering Division reviewed 105 leases covering approximately 22,415 acres for lease maintenance and development issues.

II. BOARD REVIEW

There were no State Lease items to report to the Board.

III. FORCE MAJEURE

1. Biglane Operating Company requests Recognition of a Force Majeure condition affecting State Lease 4778 due to flooding conditions of the Mississippi River. This request is late and under the 2005 policy, the Board must decide whether to recognize the force majeure after the fact. The Staff recommends Recognition of the Force Majeure event for the period of January 1, 2019 through September 11, 2019, at which time the matter will be revisited by the Board, or until flood waters recede to allow restoration of production operations. Upon motion of Ms. Michaud-Dugas, seconded by Ms. LeBlanc, the Board deferred recognition of this force majeure request until July 10, 2019.

2. Due to flooding in Louisiana the staff requests an extension of Recognition of Force Majeure for the following operators and state leases for a period of 90 days or until the September 11, 2019 State Mineral and Energy Board Meeting. Upon motion of Mr. Cordaro, seconded by Ms. Michaud-Dugas, the Board approved an extension of Recognition of Force Majeure for the following operators and state leases for a period of 90 days or until the September 11, 2019 State Mineral and Energy Board Meeting. **(Resolution No. 19-06-001)**

Operator	State Lease	Parish
Tensas Delta Exploration Company LLC	4775, 4945	La Salle
Kepeco Operating Inc.	18951	La Salle
Falcon V, LLC	4746, 5021, A0382	East Baton Rouge
Wagner Oil Company	3797	Iberville

b) NOMINATION AND TRACT REPORT
July 10, 2019
(Resolution No(s). 19-07-003 thru 19-07-004)

The Board heard the report of Mr. Emile Fontenot on Wednesday July 10, 2019 relative to nominations received in the Office of Mineral Resources for the September 11, 2019 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of Mr. Watkins, duly seconded by Mr. Haik, the Board granted authority to the staff to advertise all such tracts as have been received by the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report. **(Resolution No. 19-07-003)**

On another matter, Mr. Emile Fontenot informed the Board that pursuant to R.S. 30:215, non-exclusive seismic fees are to be set annually to conduct seismic, geophysical and geological surveys. The staff recommended that the State Mineral and Energy Board set a fee of \$15.00 per acre, or \$1,000.00 whichever is greater, for the nonexclusive seismic permits on state- owned lands and water bottoms or land and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission; that the State Mineral and Energy Board set a fee of \$200.00 per line mile, or \$1,000.00, whichever is greater, for 2D seismic permits on either state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission. On motion of Ms. Michaud-Dugas, duly seconded by Mr. Harris, the board voted unanimously to set such fee. **(Resolution No. 19-07-004)**

c) AUDIT REPORT
July 12, 2019
(Resolution No(s). 19-07-005)

The first matter considered by the Board was a penalty waiver request from Texas Petroleum Investment Co. for penalties which were the result of a field audit.

A motion was made by Mr. Haik to reduce the penalty waiver by fifty (50%) percent with no second from the Board. After discussion and careful consideration, a motion was made by Mr. Harris, seconded by Ms. Michaud-Dugas, with Mr. Haik objecting to approve a 100% penalty waiver which amounts to \$268,979.88. No comments were made by the public. (**Resolution No. 19-07-005**)

The second matter considered by the Board was the election of the July 2019 gas royalty to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

No action required.

d) LEGAL & TITLE REPORT
July 10, 2019
(Resolution No(s). 19-07-006 thru 19-07-008)

The first matter considered by the State Mineral and Energy Board (Board) was a request from Torrent Oil LLC to amend State Lease No. 21795 to include 28.90 additional State claimed acres within said lease.

Staff reported that State Lease No. 21795, known as Thompson Creek, was awarded on May 9, 2018 as 61.00 acres. The State Land Office recently revised a portion of its State claimed water bottoms layer and recognized 28.90 unleased acres, more or less (known as West Fork Thompson Creek) within State Lease No. 21795. Torrent requested that the Board amend State Lease No. 21795 to include the 28.90 acres at the same per acre bonus consideration (\$529.00) as originally accepted.

Staff continued that the original 61 acres had been maintained and 13.1 acres of the 28.90 acres are in the AUS C RA SUA Unit. The remaining 15.8 acres are due a deferred development payment in the amount of \$4,179.10.

Staff further reported that Torrent had offered to pay a full bonus consideration and deferred development payment equal to \$19,467.20 should the Board agree to amend State Lease No. 21795 in accordance with Torrent's request.

Staff recommended that the Board amend State Lease No. 21795 for the consideration stated above.

Upon motion of Mr. Watkins, seconded by Mr. Hollenshead, and by unanimous vote of the Board, the Board voted to approve the request from Torrent Oil LLC to amend State Lease No. 21795 to include 28.90 additional State claimed acres within the lease in accordance with the stipulations stated above. There were no comments from the public. (Resolution No. 19-07-006)

The second matter considered by the Board was a review and request for approval by the Board of the final edits of the proposed resolution regarding the adoption of the Royalty Reduction Program.

Upon motion of Mr. Hollenshead, seconded by Mr. Watkins, and by unanimous vote of the Board, the Board voted to approve the final edits of the proposed resolution regarding the adoption of the Royalty Reduction Program. There were no comments from the public. (Resolution No. 19-07-007)

The third matter brought before the Board was a review and request for approval of Articles 10, 16, 18, 20, 21, 22 and 23 of the Proposed New Lease Form.

Upon motion of Mr. Haik, seconded by Mr. Harris, and by unanimous vote of the Board, the Board voted to preliminarily accept, as written, Articles 10, 16, 18, 20, 21, 22 and 23 of the Proposed New Lease Form. There were no comments from the public. (Resolution No. 19-07-008)

e) DOCKET REVIEW REPORT
July 10, 2019
(Resolution No(s). 19-07-009 thru 19-07-018)

The Board heard the report from Emile Fontenot on Wednesday, July 10, 2019, relative to the following:

- Category A: State Agency Leases
There were no items for this category
- Category B: State Lease Transfers
Docket Item Nos. 1 through 9
- Category C: Department of Wildlife & Fisheries State Agency Lease
Docket Item No. 1
- Category D: Advertised Proposals
There were no items for this category

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

- Category B: State Lease Transfers
Approve Docket Item Nos. 1 through 9
(Resolution Nos. 19-07-009 through 19-07-017)
- Category C: Department of Wildlife & Fisheries State Agency Lease
Approve Docket Item No. 1
(Resolution No. 19-07-018)

VII. EXECUTIVE SESSION

The Chairman stated that the next order of business was discussions in Executive Session to consider matters before the Board which were confidential in nature. Upon motion of Mr. Hollenshead, seconded by Ms. Michaud-Dugas, the Board Members went into Executive Session at 10:11 a.m.

Upon motion of Mr. Harris, seconded by Ms. Michaud-Dugas, the Board reconvened in open session at 10:24 a.m. for consideration of the following matters discussed in Executive Session:

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

VIII. AWARDING OF LEASES

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

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

1. Award a lease on Tract No. 45169 (7 acres) to Cypress Energy Corporation
2. Award a lease on Tract No. 45170 (36.183 acres) to Brix Operating, LLC
3. Award a lease on Tract No. 45171 (4.940 acres) to Vine Oil & Gas LP
4. Award a lease on Tract No. 45172 (7.384 acres) to Brix Operating, LLC
5. Award a lease on Tract No. 45173 (4.993 acres) to Brix Operating, LLC
6. Award a lease on Tract No. 45174 (43 acres) to The Lafayette Exploration Company, LLC
7. Award a lease on a portion of Tract No. 45176 (674.78 acres) to Mack Energy Company
8. Award a lease on a portion of Tract No. 45177 (510.858 acres) to Texas Petroleum Investment Company
9. Award a lease on a portion of Tract No. 45178 (300 acres) to Texas Petroleum Investment Company

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

This concluded the awarding of the leases.

IX. NEW BUSINESS

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

No new business was presented.

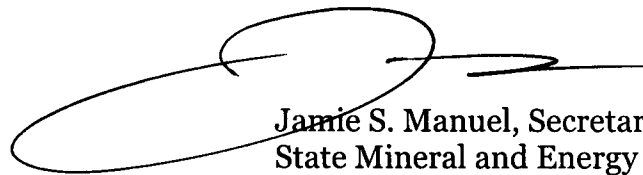
X. ANNOUNCEMENTS

Mr. Manuel stated that the nine (9) leases awarded totaled \$555,493.30 for the July 10, 2019 Lease Sale bringing the fiscal year total to \$555,493.30.

XI. ADJOURNMENT

The Chairman then stated there being no further business to come before the Board, upon motion of Ms. Michaud-Dugas, seconded by Ms. Hodges, the meeting was adjourned at 11:25 a.m.

Respectfully Submitted,

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal line extending to the right.

Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-07-001 (LEASE REVIEW)

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

WHEREAS, Mr. Bradbury of the Office of Mineral Resources made a report of a late force majeure request by Biglane Operating Company ("Biglane") affecting State Lease 4778 in Natchez Ferry Field, Concordia Parish, Louisiana; and,

WHEREAS, on June 4, 2019, Biglane reported that due to rising flood waters from Mississippi River on January 1, 2019, Biglane was forced to shut-in the SL 4778 No. 2 affecting State Lease 4778; and,

WHEREAS, on June 11, 2019, Biglane reported that due to rising flood waters from Mississippi River on February 27, 2018 through July 1, 2018, Biglane was also forced to shut-in the SL 4778 No. 2 affecting State Lease 4778; and,

WHEREAS, Biglane requests after-the-fact recognition the force majeure events for both instances; and,

WHEREAS, according to the Board's 2005 Force Majeure Policy, the Board reserved its ability to recognize a force majeure upon notice more than 90 days after the occurrence of the event; and,

WHEREAS, State Lease 4778 cannot be maintained by any other means under the lease other than the recognition of a force majeure and would otherwise expire; and,

WHEREAS, Biglane has submitted the initial report by submitting a notarized affidavit attesting to the facts in this matter.

NOW THEREFORE BE IT RESOLVED that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present, does hereby recognize and acknowledge after-the-fact the force majeure events affecting State Lease 4778 for a period of February 27, 2018 through July 1, 2018 and a second period beginning January 1, 2019 through September 11, 2019 or until floodwaters subside permitting Biglane Operating Company to access the well location and to re-establish downhole reworking operations or production in paying quantities, whichever is earlier. The Board shall further require that Biglane Operating Company submit monthly status reports due no later than the first (1st) of each month. Finally, the Board reserves its rights to rescind this force majeure recognition at any time.

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 July 10, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



Jamie S. Manuel, Secretary
Louisiana State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-07-002 (LEASE REVIEW)

Upon motion of Mr. Mr. Harris, seconded by Mr. Haik, the following resolution was offered and unanimously adopted by the State Mineral and Energy Board (SMEB):

WHEREAS, Mr. Bradbury of the Office of Mineral Resources made a report of a timely force majeure request by Belle Exploration Inc. ("Belle") affecting State Lease 16827 in Catahoula Lake Field, LaSalle Parish, Louisiana; and,

WHEREAS, on June 7, 2019, Belle reported that due to rising flood waters from Bayou Maringouin, Belle was forced to shut-in the WX A RC SU117; SL 16827 No. 1 & 2 affecting State Lease 16827; and,

WHEREAS, in accordance with and under authority granted by the 2005 Mineral and Energy Board Policy, Mr. Bradbury recognized the force majeure event of Belle for the period of March 16, 2019 through September 11, 2019 or until flood waters subside permitting Belle access to the well location to restore downhole reworking operations or production in paying quantities, whichever is earlier; and,

WHEREAS, Mr. Bradbury requests that the Mineral and Energy Board confirm the actions of the Office of Mineral Resources concerning this force majeure condition; and,

NOW THEREFORE BE IT RESOLVED, the State Mineral and Energy Board confirms the Office of Mineral Resources' recognition of the force majeure event affecting State Lease 16827 for the period of March 16, 2019 through September 11, 2019 or until floodwaters subside permitting Belle Exploration Inc. to access the well location and to re-establish downhole reworking operations or production in paying quantities, whichever is earlier. The Board shall further require that Belle Exploration Inc. submit monthly status reports due no later than the first (1st) of each month. Finally, the Board reserves its rights to rescind this force majeure recognition at any time.

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 July 10, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
Louisiana State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-07-003
(NOMINATION AND TRACT REPORT)

Authority to advertise
Tracts for September 11,
2019 Lease Sale

WHEREAS, Mr. Emile Fontenot reported that nineteen (19) tract(s) were nominated for the September 11, 2019 Mineral Lease Sale, and requested that same be advertised pending staff review;

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

That the State Mineral and Energy Board grant approval to advertise all such tract(s) for the September 11, 2019 Mineral Lease Sale;

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

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 10th day of July 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.


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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-07-004
(NOMINATION AND TRACT COMMITTEE)

Non-Exclusive Seismic Permit Fees

WHEREAS, La. R.S. 30:215 requires that the State Mineral and Energy Board (Board) at least annually set a per acre fee to be paid for non-exclusive permits to conduct seismic, geophysical and geological surveys upon state-owned lands and/or water bottoms; and

WHEREAS, La. R.S. 30:215 further requires that this fee be set based upon market value and fixed in a per acre amount of no more than Thirty (\$30.00) Dollars and no less than Five (\$5.00) Dollars; and

WHEREAS, the Board last met on July 11, 2018 for the purpose of setting the per acre fee to be paid for such permits; and

WHEREAS, the Board now is required to again set the per acre fee for such permits; and

WHEREAS, the Staff of the Office of Mineral Resources (OMR) has received and reviewed all information available for determining the fair market value for such permits; and

WHEREAS, OMR Staff offered the following recommendation for such fees for consideration by the Nomination and Tract Committee:

That the State Mineral and Energy Board herein and hereby set a fee of \$15.00 per acre, or \$1000.00, whichever is greater, for the non-exclusive seismic permit on state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission; that the State Mineral and Energy Board set a fee of \$200.00 per line mile, or \$1000.00, whichever is greater, for 2D seismic permits on either state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of Wildlife and Fisheries Commission.

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

NOW THEREFORE, BE IT RESOLVED:

That the State Mineral and Energy Board set a fee of \$15.00 per acre, or \$1,000.00, whichever is greater, for the non-exclusive seismic permit on state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission; that the State Mineral and Energy Board set a fee of \$200.00 per line mile, or \$1,000.00, whichever is greater, for the 2D seismic permits on either state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of July, 2019 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.


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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #19-07-005
(AUDIT COMMITTEE)**

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

WHEREAS, The State Mineral and Energy Board caused an audit to be performed of state royalty payments made by Texas Petroleum Investment Company in the Breton Sound Block 20 and Main Pass Block 47 fields; State Leases 1230, 1997, 1998, 1999, 2000, 2326, 4574, 16666, 16667, 16849, 16850 and 16851 which audit revealed that Texas Petroleum Investment Co. owed the state \$990,546.21 in underpayment of royalty and \$406,650.87 in interest and penalty for a total of \$1,397,197.08; and

WHEREAS, Texas Petroleum Investment Company has remitted payment of \$1,128,217.20 for the outstanding principal and interest and made letter of application for reduction of penalties assessed in the amount of \$268,979.88 that were the result of incorrect royalty payments; and

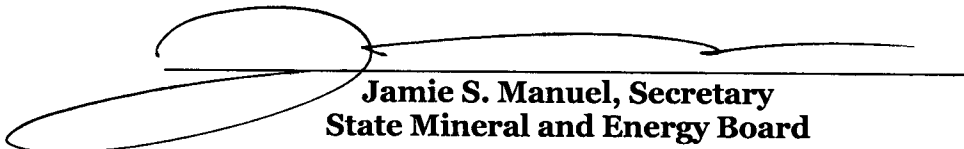
WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration and in accordance with State Mineral and Energy Board established protocol, recommended that the foregoing request for a reduction of penalties be approved and that one hundred percent (100%) of the penalty be waived;

ON MOTION of Sec. Harris, seconded by Ms. Michaud Dugas with one objection by Mr. Haik, after discussion and careful consideration the following recommendation was offered and adopted by the Board;

THEREFORE, BE IT RESOLVED that the Board does waive one hundred percent (100%), which amounts to \$268,979.88 of the total penalty assessed to Texas Petroleum Investment Company.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 10th day of July, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.


**Jamie S. Manuel, Secretary
State Mineral and Energy Board**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #19-07-006

(LEGAL & TITLE CONTROVERSY REPORT)

Torrent Oil LLC - Request
to amend SL #21795 to
include 28.90 additional
State claimed acres

WHEREAS, a request by Torrent Oil LLC (Torrent) to the State Mineral and Energy Board (Board) to amend State Lease No. 21795, known as Thompson Creek awarded to Torrent on May 9, 2018 as 61.00 acres, to include 28.90 additional State claimed acres within the lease; and

WHEREAS, it was reported that the State Land Office had recently revised a portion of its State claimed water bottoms layer and recognized 28.90 unleased acres, more or less (known as West Fork Thompson Creek) within State Lease No. 21795. Torrent was requesting that the Board amend State Lease No. 21795 to include the recently recognized 28.90 acres at the same per acre bonus consideration (\$529.00) as originally accepted on the original 61.00 acres; and

WHEREAS FURTHER, it was reported that the original 61 acres had been maintained and 13.1 acres of the 28.90 acres are in the AUS C RA SUA Unit and that the remaining 15.8 acres is due a deferred development payment in the amount of \$4,179.10; and

WHEREAS, OMR Staff reported that Torrent had offered to pay a full bonus consideration and deferred development payment equal to \$19,467.20 should the Board agree to amend State Lease No. 21795 in accordance with Torrent's request; and

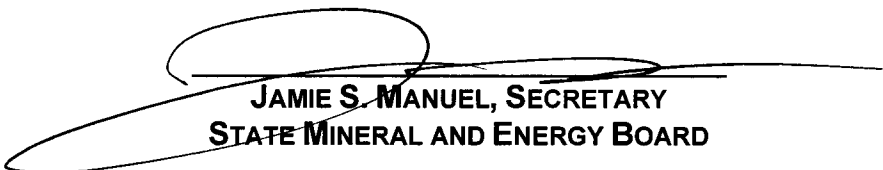
WHEREAS, OMR Staff recommended that the Board amend State Lease No. 21795 for the consideration stated above;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby approve the foregoing request by Torrent Oil LLC as specified above for the bonus consideration and deferred development payment equal to \$19,467.20.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of July, 2019, of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.


JAMIE S. MANUEL, SECRETARY
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #19-07-007

Royalty Reduction
Program

(LEGAL & TITLE CONTROVERSY)

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

WHEREAS, pursuant to La. R.S. 30:129, the State Mineral and Energy Board ("Board") has full supervision of all mineral leases and is authorized to take all appropriate action to assure that all undeveloped or nonproducing state lands and water bottoms are reasonably and prudently explored, developed, and produced for the public good; and

WHEREAS, due to the decreased leasing and drilling activity within the State of Louisiana, the Board offers the following proposed temporary Royalty Reduction Program ("RRP") as incentive to encourage new development of future state leases.

NOW THEREFORE, BE IT RESOLVED, the Board authorizes the Staff of the Office of Mineral Resources ("OMR") to develop and enact the RRP in accordance with the following terms:

1. The RRP will take effect on the date of the initial lease issued and approved by the Board utilizing the revised 2019 state lease form ("Lease") and will remain in effect for two (2) years following that date. Upon the termination of the RRP, all prior approved temporary reduction in the royalty rate shall survive the termination of the RRP and shall remain in full force and effect in accordance with the requirements as set forth herein; and
2. The RRP, upon verification and approval as required herein, shall allow OMR to temporarily reduce the royalty rate by 5.5%, but in no case shall it be lower than 18.5%, on a Lease where production from the leased premises or lands pooled or unitized therewith is established pursuant to the terms thereof and is brought on line and sales thereof are commenced within twenty-four (24) months of the effective date of the Lease; and
3. The reduced royalty shall be for a term not to exceed the first thirty six (36) consecutive months from the first sales of production. There will be only one thirty six (36) consecutive month period per lease and a new or different period will not begin to run with the commencement of production from subsequent wells. However, for the single thirty six (36) consecutive month period, the reduced royalty shall apply to any production obtained from the leased premises or lands pooled or unitized therewith, regardless of when said production comes on line or whether said production is obtained from an initial well or any subsequent wells; and

BE IT FURTHER RESOLVED, OMR shall develop and implement an application process for the RRP which shall comply with the following minimum requirements:

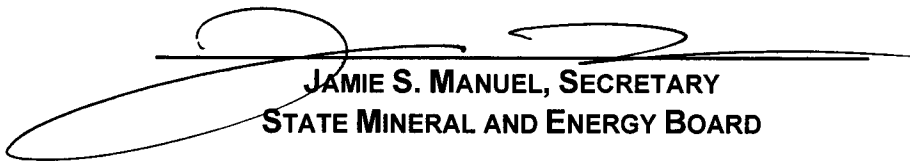
1. A lessee seeking approval for the reduced royalty must make a written request to the Office of Mineral Resources at 617 N. 3rd Street, LaSalle Building, 8th Floor, Baton Rouge, Louisiana 70802 or Post Office Box 2827, Baton Rouge, Louisiana 70821-2827. The application shall be considered received by OMR (i) upon receipt if delivered personally; or (ii) if properly addressed, upon deposit in the U.S. mail, registered or certified, postage prepaid, return receipt requested; or (iii) if properly addressed, upon deposit with a recognized commercial courier service; and
2. In order for production attributable to the Lease to be eligible for the reduced royalty, the application must further be received by OMR within ninety (90) days following commencement of production. There will be no qualifications, retroactive adjustments or credits for applications that are not received timely by OMR; and
3. The staff of OMR will review the application and implement the reduced royalty if the lessee's application demonstrates satisfaction of the requirements of the RRP as stated herein; and

BE IT FURTHER RESOLVED, the Board does hereby grant OMR the authority to approve a lessee's application for a reduced royalty pursuant to the RRP.

BE IT FURTHER RESOLVED, the reduced royalty rates approved by the OMR shall be effective beginning the first payment of royalty which is due within one hundred twenty (120) days following commencement of production.

CERTIFICATE

I **hereby certify**, that the above is a true and correct copy of a Resolution which was adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 10th day of July, 2019, pursuant to due notice, that at said meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



JAMIE S. MANUEL, SECRETARY
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #19-07-008

(LEGAL & TITLE CONTROVERSY REPORT)

SMEB Acceptance, as
Written, of Proposed New
Lease Form Articles 10,
16, 18, 20, 21, 22 and 23

WHEREAS, there was a review and request for approval of Articles 10, 16, 18, 20, 21, 22 and 23 of the Proposed New Lease Form for the State Mineral and Energy Board (Board); and

WHEREAS, after careful consideration by the State Mineral and Energy Board on this matter, a decision has been reached;

NOW, THEREFORE BE IT RESOLVED, upon motion of Mr. Haik, seconded by Mr. Harris, and by unanimous vote of the State Mineral and Energy Board, the Board does hereby accept, in principle, Articles 10, 16, 18, 20, 21, 22 and 23 of the Proposed New Lease Form as written.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


JAMIE S. MANUEL, SECRETARY
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-07-009

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the July 10, 2019 meeting be approved, said instrument being an Assignment from GOME 1271 LLC, of an undivided 62.46875% interest to the following in the proportions set out below:

Castex Energy Partners, LLC	19.68750%
Castex Energy 2016, LP	.2812500%
CSL Exploration LP	12.50000%
Apache Corporation	30.00000%

in and to State Lease No. 21903, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

GOME 1271 LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

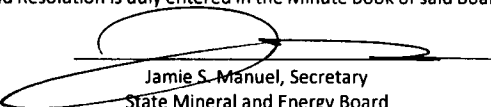
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-07-010 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the July 10, 2019 meeting be approved, said instrument being an Assignment from Big Sky Operating Companies, Inc. to Gulf Coast Western, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 5259 and 7501, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

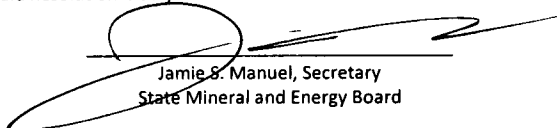
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-07-011

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the July 10, 2019 meeting be approved, said instrument being an Assignment from Mammoth Minerals, LLC to Pine Wave Energy Partners Operating, LLC, an undivided 75% of Assignor's right, title and interest in and to State Lease Nos. 21860, 21871 and 21872, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

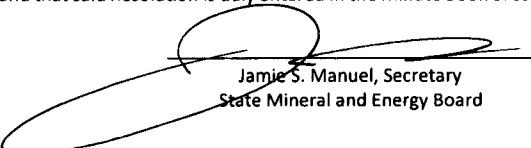
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-07-012

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the July 10, 2019 meeting be approved, said instrument being an Assignment from MRC Energy Company to Covey Park Gas LLC, of all of Assignor's right, title and interest in an to Operating Agreement "A0359", Bossier Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

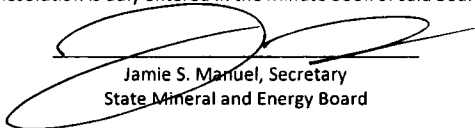
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-07-013

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the July 10, 2019 meeting be approved, said instrument being an Assignment from Covey Park Gas LLC to QEP Energy Company, of all of Assignor's right, title and interest in and to State Lease No. 19787, Bossier Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

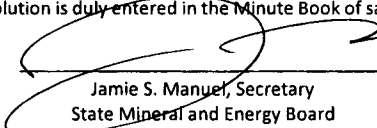
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-07-014

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the July 10, 2019 meeting be approved, said instrument being an Assignment from Loveless Asset Management, L.L.C. to KLT Energy, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 20936, 20937 and 21058, St. Charles Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

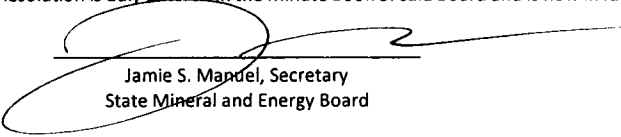
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Mandel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-07-015

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 7 from the July 10, 2019 meeting be approved, said instrument being an Assignment from Loveless Asset Management, L.L.C. to KLT Energy LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 20626, 20856 and 20857, St. Charles Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said leases cover lands lying within the boundaries of the CRIS I RB SUA and covering 479.755 acres in the West Lake Salvador Field, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

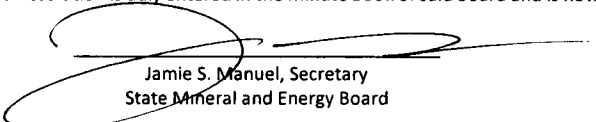
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-07-016

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 8 from the July 10, 2019 meeting be approved, said instrument being an Assignment from Loveless Asset Management, L.L.C. to KLT Energy, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 21183, 21408, 21536 and 21537, St. Charles Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said leases cover acreage within the boundaries of the 795.714 acre unit created pursuant to that certain Voluntary Unit Agreement dated December 9, 2015, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

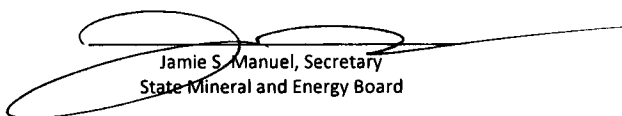
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-07-017

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 9 from the July 10, 2019 meeting be approved, said instrument being an Assignment and Correction of Assignment from Enduro Operating LLC to Comstock Oil & Gas-Louisiana, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 18687 and 19193, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

Comstock Oil & Gas-Louisiana, LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

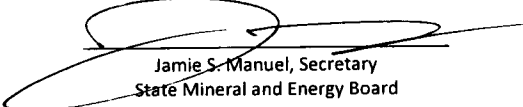
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-07-018

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the July 10, 2019 meeting be approved, said instrument being an Assignment from Covey Park Gas LLC to QEP Energy Company, of all of Assignor's right, title and interest in and to State Agency Lease No. 20566, Bossier Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

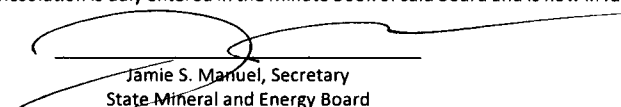
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Maribel, Secretary
State Mineral and Energy Board