

# **MINUTES**

## **STATE MINERAL AND ENERGY BOARD**

### **REGULAR MEETING AND LEASE SALE**

**JULY 10, 2013**

**STATE MINERAL AND ENERGY BOARD**  
**REGULAR MEETING AND LEASE SALE MINUTES**  
**JULY 10, 2013**

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on Wednesday, July 10, 2013, beginning at 11:00 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

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

W. Paul Segura, Jr., Chairman  
Thomas L. Arnold, Jr., Vice-Chairman  
Dan R. Brouillette  
Emile B. Cordaro  
Robert "Michael" Morton  
Thomas W. Sanders  
Darryl D. Smith

The following members of the Board were recorded as absent:

Garret Graves (Governor Bobby Jindal's designee)  
Louis J. Lambert

Ms. Talley announced that seven (7) members of the Board were present and that a quorum was established.

Also recorded as present were:

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

The Chairman stated that the first order of business was the approval of the June 12, 2013 Minutes. A motion was made by Mr. Cordaro to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Smith and unanimously adopted by the Board. (No public comment was made at this time.)

Upon motion of Mr. Cordaro, seconded by Mr. Smith, and unanimously adopted by the Board, the Board recessed at 11:05 a.m. in order to reconvene the Legal and Title Committee Meeting.

STATE MINERAL AND ENERGY BOARD  
Regular Meeting and Lease Sale Minutes  
July 10, 2013

Upon motion of Mr. Arnold, seconded by Mr. Cordaro, and unanimously adopted by the Board, the Board reconvened in open session at 11:08 a.m.

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

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

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

At this time, the Chairman announced that the Board would recess its regular meeting at 11:09 a.m. to go into executive session for technical briefing in order to consider matters before the Board which were confidential in nature. A motion was made by Mr. Sanders, seconded by Mr. Brouillette, and unanimously adopted by the Board.

During the technical briefing, the Board conferred with staff personnel concerning the merit of the bids that were submitted and opened earlier today at a public meeting\*, based on geological, engineering and other confidential data and analyses available to the Board and staff, after which, upon motion of Mr. Arnold, seconded by Mr. Sanders, and unanimously adopted by the Board, the Board reconvened in open session at 11:18 a.m.

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

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

Upon motion of Mr. Sanders, seconded by Mr. Brouillette, the Board voted unanimously to award a lease on a portion of Tract 43309, said portion being 69.350 acres more particularly described in said bid and outlined on accompanying plat, to Castex Energy Partners LP.

Upon motion of Mr. Sanders, seconded by Mr. Brouillette, the Board voted unanimously to award a lease on a portion of Tract 43321, said portion being 40.350 acres more particularly described in said bid and outlined on accompanying plat, to Cypress Energy Corporation.

STATE MINERAL AND ENERGY BOARD  
Regular Meeting and Lease Sale Minutes  
July 10, 2013

Upon motion of Mr. Sanders, seconded by Mr. Brouillette, the Board voted unanimously to award a lease on a portion of Tract 43321, said portion being 26.120 acres more particularly described in said bid and outlined on accompanying plat, to Cypress Energy Corporation.

Upon motion of Mr. Sanders, seconded by Mr. Brouillette, the Board voted unanimously to award a lease on Tract 43331 to D.B. Interests L.L.C.

Upon motion of Mr. Sanders, seconded by Mr. Brouillette, the Board voted unanimously to award a lease on Tract 43333 to Classic Petroleum, Inc.

Upon motion of Mr. Sanders, seconded by Mr. Brouillette, the Board voted unanimously to award a lease on a portion of Tract 43336, said portion being 91.000 acres more particularly described in said bid and outlined on accompanying plat, to Goldking Resources, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Brouillette, the Board voted unanimously to award a lease on Tract 43342 to Tacoma Energy Corporation.

Upon motion of Mr. Sanders, seconded by Mr. Brouillette, the Board voted unanimously to award a lease on Tract 43343 to Tacoma Energy Corporation.

Upon motion of Mr. Sanders, seconded by Mr. Brouillette, the Board voted unanimously to award a lease on Tract 43345 to SR Acquisition I, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Brouillette, the Board voted unanimously to award a lease on a portion of Tract 43368, said portion being 244.430 acres more particularly described in said bid and outlined on accompanying plat, to Castex Energy Partners LP.

Upon motion of Mr. Sanders, seconded by Mr. Brouillette, the Board voted unanimously to award a lease on a portion of Tract 43371, said portion being 5.080 acres more particularly described in said bid and outlined on accompanying plat, to Castex Energy Partners LP.

Upon motion of Mr. Sanders, seconded by Mr. Brouillette, the Board voted unanimously to award a lease on a portion of Tract 43374, said portion being 236.490 acres more particularly described in said bid and outlined on accompanying plat, to Castex Energy Partners LP.

Upon motion of Mr. Sanders, seconded by Mr. Brouillette, the Board voted unanimously to award a lease on Tract 43387 to JIL Exploration, Inc.

At this time, the Chairman entertained a motion to extend the agenda to include oral bidding from the floor regarding Tract No. 43344 because the bid was rejected due to improper bid. A motion was made by Mr. Sanders, seconded by Mr. Arnold, and unanimously adopted by the Board. (No public comment was made at this time.)

STATE MINERAL AND ENERGY BOARD  
Regular Meeting and Lease Sale Minutes  
July 10, 2013

Mr. Julian Hinckley, representing DE Oil & Gas, LLC came forward and offered the following:

Tract 43344

Bidder	:	DE Oil & Gas, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$342.90
Price per acre	:	\$500.00
Annual Rental	:	\$171.45
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

There being no other bidders on this tract, upon motion of Mr. Sanders, seconded by Mr. Arnold, and based on staff's recommendation, the Board voted unanimously to award a lease on Tract 43344 to DE Oil & Gas, LLC. (No public comment was made at this time.)

This concluded the awarding of the leases.

The following announcements were then made:

Ms. Talley stated that there were several announcements. "First being the recognition of several staff members retiring this month after many years of state service:

- Ms. Nancy Ball, a Land Specialist in our Petroleum Lands Division retiring after 33 years of state service;
- Ms. Sherry Ballard, who isn't here today, a Land Specialist in our Geological and Engineering Division, with 18 years of state service;
- Ms. Carolyn Duriseau, an auditor in our Dallas audit office, retiring after 28 years of state service;
- Mr. Ike Jackson, our in-house General Counsel, retiring after 17 years of state service; Jackie Johnson, a Land Specialist in our Geological and Engineering Division, retiring with 33 years of state service;
- Ms. Mary Beth Kling, Administrative Assistant in our Executive Division, retiring with 40 years of state service; and
- Mr. John Schott, our Audit Manager, retiring after 10 years of state service subsequent to his career at Texaco.

Other announcements today – our seminar is coming up next month in New Orleans at The Roosevelt from August 28<sup>th</sup> to 30<sup>th</sup>. Registration is going very well. We still have plenty of room for people. If anyone is interested in being a sponsor, the deadline for sponsorship with advertisement in the printed material is the end of this month and I ask the Board Members if they plan to attend to please let Becky know by the end of the month so she can get them registered."

Ms. Talley stated that "the total for today's Lease Sale is \$700,237.65 in bonuses, bringing the fiscal year-to-date total to \$700,575.55."

STATE MINERAL AND ENERGY BOARD  
Regular Meeting and Lease Sale Minutes  
July 10, 2013

The Chairman stated that the quarterly Mineral Revenue and Production Report was provided to the members for their information and review. **(The report is hereby attached and made a part of the Minutes by reference.)**

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Brouillette, seconded by Mr. Sanders, the meeting was adjourned at 11:27 a.m.

Respectfully submitted,



Victor M. Vaughn  
Executive Officer  
State Mineral and Energy Board

THE FOLLOWING OPENING OF SEALED  
BIDS MEETING MINUTES, COMMITTEE  
REPORTS AND RESOLUTIONS WERE  
MADE A PART OF THE JULY 10, 2013  
STATE MINERAL AND ENERGY BOARD  
REGULAR MEETING AND LEASE SALE  
MINUTES BY REFERENCE

**STATE MINERAL AND ENERGY BOARD**  
**OPENING OF SEALED BIDS MINUTES**  
**JULY 10, 2013**

A public meeting for the purpose of opening sealed bids was held on Wednesday, July 10, 2013, beginning at 8:40 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

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

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

**July 10, 2013**

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

Gentlemen:

Certified proofs of publication have been received in the Office of Mineral Resources on behalf of the State Mineral and Energy Board for the State of Louisiana from the "Advocate," official journal for the State of Louisiana, and from the respective parish journals as evidence that Tract Nos. 43306 through 43387, have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended.

Yours very truly,

(Original signed)

Emile Fontenot  
Assistant Director  
Petroleum Lands Division

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





STATE MINERAL AND ENERGY BOARD  
 Opening of Sealed Bids Minutes  
 July 10, 2013

No Bids Tract 43315

No Bids Tract 43316

No Bids Tract 43317

No Bids Tract 43318

No Bids Tract 43319

No Bids Tract 43320

Tract 43321  
 (Portion – 40.350 acres)

Bidder	:	Cypress Energy Corporation
Primary Term	:	Five (5) years
Cash Payment	:	\$30,262.50
Annual Rental	:	\$15,131.25
Royalties	:	23% on oil and gas
	:	23% on other minerals
Additional Consideration	:	None

Tract 43321  
 (Portion – 26.120 acres)

Bidder	:	Cypress Energy Corporation
Primary Term	:	Five (5) years
Cash Payment	:	\$5,877.00
Annual Rental	:	\$2,938.50
Royalties	:	23% on oil and gas
	:	23% on other minerals
Additional Consideration	:	None

No Bids Tract 43322

No Bids Tract 43323

No Bids Tract 43324

No Bids Tract 43325

STATE MINERAL AND ENERGY BOARD  
 Opening of Sealed Bids Minutes  
 July 10, 2013

No Bids Tract 43326  
 No Bids Tract 43327  
 No Bids Tract 43328

**INLAND TRACTS**

No Bids Tract 43329  
 No Bids Tract 43330

Tract 43331  
 Bidder : D.B. Interests L.L.C.  
 Primary Term : Three (3) years  
 Cash Payment : \$5,700.00  
 Annual Rental : \$2,850.00  
 Royalties : 20% on oil and gas  
 : 20% on other minerals  
 Additional Consideration : None

No Bids Tract 43332

Tract 43333  
 Bidder : Classic Petroleum, Inc.  
 Primary Term : Three (3) years  
 Cash Payment : \$1,422.88  
 Annual Rental : \$711.44  
 Royalties : 20% on oil and gas  
 : 20% on other minerals  
 Additional Consideration : None

No Bids Tract 43334

No Bids Tract 43335

STATE MINERAL AND ENERGY BOARD  
 Opening of Sealed Bids Minutes  
 July 10, 2013

Tract 43336  
 (Portion – 91.000 acres)

Bidder	:	Goldking Resources, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$64,064.00
Annual Rental	:	\$32,032.00
Royalties	:	23% on oil and gas
	:	23% on other minerals
Additional Consideration	:	None

Tract 43337

No Bids

Tract 43338

No Bids

Tract 43339

No Bids

Tract 43340

No Bids

Tract 43341

No Bids

**STATE AGENCY TRACTS**

Tract 43342

Bidder	:	Tacoma Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$184,485.82
Annual Rental	:	\$92,242.91
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 43343

Bidder	:	Tacoma Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$145,739.50
Annual Rental	:	\$72,869.75
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

STATE MINERAL AND ENERGY BOARD  
Opening of Sealed Bids Minutes  
July 10, 2013

Tract 43344

No Bids

**SCHOOL INDEMNITY LANDS TRACT**

Tract 43345

Bidder	:	SR Acquisition I, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$38,319.00
Annual Rental	:	\$19,159.50
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

**ATCHAFALAYA DELTA WILDLIFE MANAGEMENT AREA TRACTS**

Tract 43346

No Bids

Tract 43347

No Bids

Tract 43348

No Bids

Tract 43349

No Bids

Tract 43350

No Bids

Tract 43351

No Bids

Tract 43352

No Bids

Tract 43353

No Bids

Tract 43354

No Bids

Tract 43355

No Bids

STATE MINERAL AND ENERGY BOARD  
 Opening of Sealed Bids Minutes  
 July 10, 2013

No Bids Tract 43356

No Bids Tract 43357

No Bids Tract 43358

No Bids Tract 43359

No Bids Tract 43360

No Bids Tract 43361

No Bids Tract 43362

No Bids Tract 43363

No Bids Tract 43364

No Bids Tract 43365

No Bids Tract 43366

No Bids Tract 43367

Tract 43368  
 (Portion – 244.430 acres)

Bidder	:	Castex Energy Partners LP
Primary Term	:	Three (3) years
Cash Payment	:	\$92,150.11
Annual Rental	:	\$46,075.06
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

STATE MINERAL AND ENERGY BOARD  
Opening of Sealed Bids Minutes  
July 10, 2013

No Bids Tract 43369

No Bids Tract 43370

Tract 43371  
(Portion – 5.080 acres)

Bidder	:	Castex Energy Partners LP
Primary Term	:	Three (3) years
Cash Payment	:	\$1,915.16
Annual Rental	:	\$957.58
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

No Bids Tract 43372

No Bids Tract 43373

Tract 43374  
(Portion – 236.490 acres)

Bidder	:	Castex Energy Partners LP
Primary Term	:	Three (3) years
Cash Payment	:	\$89,156.73
Annual Rental	:	\$44,578.37
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

No Bids Tract 43375

No Bids Tract 43376

No Bids Tract 43377

No Bids Tract 43378

STATE MINERAL AND ENERGY BOARD

Opening of Sealed Bids Minutes

July 10, 2013

No Bids Tract 43379

No Bids Tract 43380

No Bids Tract 43381

No Bids Tract 43382

No Bids Tract 43383

No Bids Tract 43384

No Bids Tract 43385

**TAX ADJUDICATED LANDS TRACT**

No Bids Tract 43386

**VACANT STATE LAND TRACT**

Tract 43387

Bidder	:	JIL Exploration, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$15,000.00
Annual Rental	:	\$7,500.00
Royalties	:	22.50% on oil and gas
	:	22.50% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.



STATE MINERAL AND ENERGY BOARD  
Opening of Sealed Bids Minutes  
July 10, 2013

There being no further business, the meeting was concluded at 9:05 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Victor M. Vaughn". The signature is fluid and cursive, with a long horizontal stroke at the end.

Victor M. Vaughn  
Executive Officer  
State Mineral and Energy Board



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

**Lease Review Committee Report**

A meeting of the Lease Review Committee of the State Mineral and Energy Board convened on Wednesday, July 10, 2013 at 9:36 a.m. with the following members of the Board in attendance: Mr. Thomas L. Arnold, Jr., Mr. Dan R. Brouillette, Mr. Emile B. Cordaro, Mr. Robert "Michael" Morton, Mr. Thomas W. Sanders and Mr. Darryl D. Smith.

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

**I. Geological and Engineering Staff Review**

According to SONRIS there are 1,859 active State Leases covering almost 785,000 acres. The Geological and Engineering Division has reviewed 170 leases covering approximately 94,000 acres.

**II. Committee Review**

A staff report on **State Lease 799**, Grand Isle Block 16 Field, Jefferson, Lafourche and Plaquemines Parishes. Energy XXI is the lessee.

The recommendation was that Energy XXI is to schedule a meeting with the staff to occur by October 9, 2013 to discuss their plan of development for the undeveloped acreage on State Lease 799.

A staff report on **State Lease 1170**, Hog Bayou Field, Cameron Parish. Hilcorp Energy 1, L.P. is the lessee.

The recommendation was that the staff recommends granting Hilcorp Energy additional time and to defer this lease and other state leases operated by Hilcorp until the October 9, 2013 Board meeting.

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

### III. Force Majeure

Stone Energy Offshore, L.L.C. has requested a six month extension, until the January 8, 2014 Board meeting, to the force majeure recognition affecting State Leases 15074, 17309 and Operating Agreement A0285 to complete negotiations for pipeline access. The Board agreed to the extension and noted that the operator is to continue making shut-in payments.

Sylvan has requested a 90 day extension, until the October 9, 2013 Board meeting, to the force majeure recognition affecting State Lease 1337 due to rig availability issues.

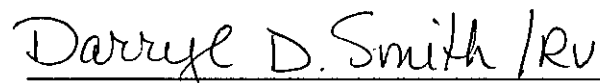
Updated 06/28/2013

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

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

On motion by Mr. Cordaro, seconded by Mr. Sanders, the Committee moved to adjourn the July 10, 2013 meeting at 9:42 a.m.

Respectfully submitted,



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

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

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### LEASE REVIEW COMMITTEE

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

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

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

**WHEREAS**, Stone Energy met with further delays in restoring production due to a Texas Gas Pipeline rupture and explosion on April 9, 2012;

**WHEREAS**, these leases and operating agreement are now fully maintained by shut-in payments;

**WHEREAS**, at the January 9, 2013 meeting, the Board extended recognition of force majeure until the meeting on July 10, 2013;

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

**NOW THEREFORE BE IT RESOLVED** that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby extend recognition of the force majeure event until the January 8, 2014 meeting, at which time Stone will re-establish a gas market or continue to maintain State Leases 15074 and 17309 and Operating Agreement A0285 by shut-in payments. The Board will reserve its rights to review and reconsider whether additional action is necessary at the January 8, 2014 meeting. Furthermore, the Board requires that Stone continue in a due diligent manner, to mitigate or negate the effect of said activities which caused the force majeure.

### CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge Louisiana on the 10<sup>th</sup> day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### LEASE REVIEW COMMITTEE

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

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

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

**WHEREAS**, at the April 10, 2013 meeting, the Board recognized force majeure until the meeting on July 10, 2013;

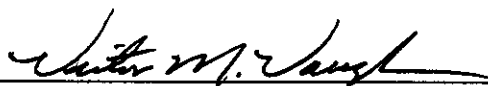
**WHEREAS**, Sylvan notified the Board that the conditions of the force majeure had not abated and requested an additional 90 days to initiate downhole operations and restore production to the State Leases and State Lease mentioned herein;

**WHEREAS**, the Office of Mineral Resources Staff having reviewed all previously submitted information requested that the Board grant an extension of only 30 days and require that Sylvan meet with the staff concerning the restoration of production to State Lease 1337;

**NOW THEREFORE BE IT RESOLVED** that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby extend recognition of the force majeure event until the August 14, 2013 meeting, or until such time as Sylvan Energy, L.L.C. obtains a rig to complete reworking operations affecting State Lease 1337, Saint Mary Parish, Louisiana, whichever occurs earlier. The Board further requires that Sylvan meet with the Office of Mineral Resources' staff to discuss plans to restore State lease 1337 to production in paying quantities prior to the August 14, 2013 Board meeting. Once production operations begin Sylvan Energy, L.L.C. shall maintain the lease in accordance with the normal language in the lease concerning continuing operations and production. The Board requires that Sylvan Energy, L.L.C. submit to the staff monthly updates due no later than the 1<sup>st</sup> of each month. The Board reserves its rights to review and reconsider whether additional action is necessary at the August 14, 2013 meeting. Furthermore, the Board requires that Sylvan continue in a due diligent manner, to mitigate or negate the effect of said activities which caused the force majeure.

### CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 10<sup>th</sup> day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board



Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: August 7, 2013 8:34 AM

District Code 1 New Orleans- East

Get Review Date July 10, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
01350		QUARANTINE BAY	QB 0 2 RF SU 05/01/1992	320.4	320.4	JUL. 5-9-13 REL RQD AUG. AR
02090		SOUTHEAST PASS	75.133 01/12/2006	400	832.188	JUL. 6/25/13 RQD PR STATUS FROM JPT: 3/25/13 JPT RCD ~166 AC PR FROM KELLY.DICKERMAN@APACHEC ORP.COM
04407		BRETON SOUND BLOCK 31		160	677.227	JUL. 6/20/13 VRB:WORKING ON REL -- MANY WIO'S
04458		BRETON SOUND BLOCK 31 , BRETON SOUND BLOCK 33	BIG HUM I RA SUA; SL 4458 05/01/1985	40	439.63	JUL. 6/20/13 VRB:WORKING ON REL -- MANY WIO'S
04708		BRETON SOUND BLOCK 32	237365-SL 4708-018 06/05/2008	454.431	454.431	JUL AR
04865		BRETON SOUND BLOCK 31		160	367	JUL. 6/20/13 VRB WORKING ON REL - MANY WIOS
11352		POINTE A LA HACHE	12.863 11/09/2006	9.798	9.798	JUL. AR
12104		LIVINGSTON	215090-LVG WX 1 RA SU;CAVENHAM ENERGY-001 12/24/1992	.34	34	JUL AR
12806		BRETON SOUND BLOCK 45 , BRETON SOUND BLOCK 53	UV B RA VUA;SL 17675 03/10/2004	921.53	921.53	JUL. AR
15823		SATURDAY ISLAND	341.935 10/13/2000	13.065	13.065	JUL. AR
16713		CHANDELEUR SOUND BLOCK 71	5900 RA SUA;SL 12789 09/19/1989 1086-E 89-307	70.509	70.509	JUL. AR
17277		CHANDELEUR SOUND BLOCK 71	230204-VUA;SL 17277-001 10/12/2004	26.87	26.87	JUL. AR
17278		CHANDELEUR SOUND BLOCK 71	VUA;SL 17277 08/11/2004	23.37	23.37	JUL. AR
17279		CHANDELEUR SOUND BLOCK 71	VUA;SL 17277 08/11/2004	53.66	53.66	JUL. AR
17303		BRETON SOUND BLOCK 16		250	541.52	JUL. 2/19/13 JMB RECK 3 MOS MAR. AR
17545		LAKE BORGNE	SL 17546 03/12/2003	97.87	97.87	JUL. AR
17621		MAIN PASS BLOCK 16	YAKEY 09/01/2005	90.38	90.38	JUL AR
17623		MAIN PASS BLOCK 16	YAKEY 09/01/2005	9.48	9.48	JUL. AR
17624		MAIN PASS BLOCK 16	YAKEY 09/01/2005	88.53	88.53	JUL. AR



Louisiana Department of Natural Resources (DNR)

**SONRIS**

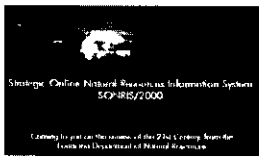
**Staff Reviews**

Report run on: August 7, 2013 8:34 AM

District Code 1 New Orleans- East

Get Review Date July 10, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
17655		LAKE BORGNE	SL 17546 03/12/2003	102.56	102.56	JUL. AR
18043		CHANDELEUR SOUND BLOCK 71	VUA;SL 17277 08/11/2004	31.06	31.06	JUL. AR
18077		POINTE A LA HACHE	SL 18077	228	228	JUL. AR
18654		LAKE CAMPO	532.681 04/09/2009	127.642	401.319	JUL. COPY OF REL RECD - WAITING FOR CORRECTION REL RQD 6-3-13
19065		BAY BOUDREAU	37.099 10/29/2009	94.901	94.901	JUL. 6/20/13 APP EXP PER MIKE B;;;6/11/13 RS TO MIKE B
20103		MAIN PASS BLOCK 35		0	40	JUL. 4/24/13 OMR TO POYDRAS RESTORE PROD BY 7/9/13 OR REL W/IN 90 DAYS OF EXP
20906				0	412.67	JUL. PT 4/11/17
20907				0	121.08	JUL. PT 4/11/15 OFFSHORE, 3 YR
20908				0	889.91	JUL. PT 4/11/17
20909				0	211.12	JUL. PT 4/11/15 OFFSHORE, 3 YR
20966				0	1023.86	JUL. 6/25/13 RS JMB APP EXP PT 6/13/15



# Louisiana Department of Natural Resources (DNR)

## SONRIS

## Staff Reviews

Report run on: August 7, 2013 8:34 AM

District Code 1W New Orleans- West

Get Review Date July 10, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00192B		TIMBALIER BAY ONSHORE	3000 RB SUA,SL PP 192  665-XX-1 02-366	4000	6000	JUL. AR 4/16/13 OMR RQD TANA EXPLOR SUBMIT UPDATE BY 4-9-2014
00192B		TIMBALIER BAY OFFSHORE	3000 RB SUA,SL PP 192  665-XX-1 02-366	4000	6000	JUL. AR 4/16/13 OMR RQD TANA EXPLOR SUBMIT UPDATE BY 4-9-2014
00799		GRAND ISLE BLOCK 16	259 10/12/2007	2700	3606	JUL. OB 6/3/13 JPT MOVED FROM 6/13 TO 7/13 RCD ENERGY XXI, POD NP AC OF SL 799 BY 4/10/13
01464		LAKE WASHINGTON	VUI;LL&E	194	642.192	JUL. AR 5/7/13 EFF 10/1/12 JMB: REVISION REPLACES REVISION CREATED 6/22/11 3000 RA SUA 228106 049383
01467		BAYOU PLAQUEMINE	31.718 07/08/1981	.282	.282	JUL. AR 3/4/13 CCB ADVISED NO REL NECESSARY AT THIS TIME. 2/11/13 REL RQD 12/5/12 REL RQD
01772		TIMBALIER BAY ONSHORE	3000 RB SUA;SL PP 192  665-XX-1 02-366	1000	2120.92	JUL. AR 4/16/13 OMR TO TANA EXPLOR. - ACCEPT RPT AND REQUESTS ANOTHER UPDATE BY 4-9-2014
02474		SOUTH PASS BLOCK 24 , SOUTH PASS BLOCK 24 OFFSHORE(8453 7/97	GTA 2 ET AL U31 03/01/1998	344	344	JUL. AR
05021		MANCHAC POINT	MARG H B RA SUA;SL 5021  807-L 07-99	145	185	JUL. AR
05913		BAYOU PLAQUEMINE	EAST RA SUA, WILBERTS 05/01/1979	13	14.035	JUL. AR 3/4/13 CCB SAID REL NOT NECESSARY
05986		BAYOU BLEU	32.85 02/08/1984	12.15	12.15	JUL. AR
07501		KINGS RIDGE	244458-KRG 9900 RB SU;SL 7501-003 03/02/2012	264.122	264.122	JUL. AR ANY FUTURE RS GO TO CCB
15009		BAYOU DE FLEUR, SOUTH	73 521 12/14/2000	33.479	33.479	JUL. AR
15057		BAYOU DE FLEUR, SOUTH	4 123 12/14/2000	5.877	5.877	JUL. AR
15276		COLLEGE POINT-ST JAMES	KARSTEIN RD SUA;E H KARSTEIN 01/28/2003 106-A-5 03-54	45.064	45.064	JUL. AR
17203		WEST DELTA BLOCK 83	1273.401 10/16/2006	125.599	125.599	JUL. AR
19384		MANILA VILLAGE, SOUTHEAST	5.51 06/23/2010	122.49	122.49	JUL. AR
20102		LITTLE LAKE	TP 1-2 RB SUA,SL 19908 04/01/2011	6.43	97	JUL. 6/28/13 FINAL DDPMT TO JPT \$10,609.50 OVERPD, REF. DUE FINAL DD 7/8/14 PT





Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: August 7, 2013 8:34 AM

District Code 1W New Orleans- West

Get Review Date July 10, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			604-R-3 11-214			7/8/12
20581				0	235.4	JUL. PT 4/13/16
20624				0	155.39	JUL. 6/25/13 RS JMB APP EXP PT 6/8/14
20625				0	85.21	JUL. 6/25/13 RS JMB APP EXP PT 6/8/14
20630				0	209.255	JUL. 6/25/13 RS JMB APP EXP PT 6/8/14
20643				0	153.11	JUL. 6/25/13 RS JMB APP EXP PT 6/8/14
20974		SOUTH PASS BLOCK 24	245869-5A-7 RA SUA;SL 20974-001 03/14/2013	99	449	JUL 6/25/13 RS JMB: SN 245869 COMP 5/3/13; JPT APP 99 ACRES HBP, REM 350 ACRES APP EXP PT 6/13/15



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 7, 2013 8:34 AM

District Code 2 Lafayette

Get Review Date July 10, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
02906		LAPEYROUSE	VUB;J B SMITH ETAL	11.5	40.4	JUL. AR 5/30/13 AMW: HBP 3 UNITS(PELICAN RE SUA, FF RB SUA & GG RA SUA)
03475		LAKE PAGIE	CC2 RA VUA;LATERRE CO INC B	337.74	657	JUL AR 6/20/13 CCB: PRDG
14807		JEFFERSON ISLAND		360	442	JUL. AR 5/30/13 AJL: HBP, LEASE PRD
16038		PERRY POINT , RAYNE, SOUTH	BOL MEX B RA SUA;P HULIN CO 04/26/2011 448-O-5 11-204	4.506	4.506	JUL AR 5/30/13 AMW: HBP 2 UNITS(BOX M B RA SUA & BOL M A RB SUA)
16120		CAILLOU ISLAND	108 803 06/16/2004	8.304	8 304	JUL. AR 5/30/13 AJL: HBP 1 UNIT
16212		PATTERSON	MA 3 RC SUA;A B ZENOR A 395-Z-2 00-382	11 388	11.388	JUL AR 5/30/13 AMW: HBP MA 3 RC SUA
16528		CAILLOU ISLAND	258 695 02/09/2005	42.131	42 131	JUL. AR 5/30/13 AJL: HBP 1 UNIT
16558		SHIP SHOAL BLOCK 43		160	349 69	JUL. AR *VMV WAIT- 5/31/13 OMR TO HELIS POD & PRD TO PAYING QUANTITIES BY 7/31/13 (7/13 REVIEW SEE VMV 1/29/13 NOTE) 5/30/13 AMW HBP GAS LEASE WELL 229564 305135
16945		CAILLOU ISLAND	698.241 11/19/2009	7 169	7.169	JUL. AR 5/30/13 AJL: HBP 1 UNIT
17435		CAILLOU ISLAND	60 73 06/16/2004	4.89	4.89	JUL. AR 5/30/13 AJL: HBP 1 UNIT
19139		LAKE SAND	LSA ROB 5 RA SU 216-C-1	160	800	JUL. AR 6/26/13 RS JPT PARTIALLY HBP REQ 450 ACRE PR., 5/7/13 CK ON VUA APPROVAL, PRIOR TO RS.
19141		ISLES DERNIERES		251 38	251.38	JUL. AR 5/30/13 AMW: HBP GAS LEASE WELL
20367		ATCHAFALAYA BAY	VUA; 12/14/2011	20.45	154 27	JUL. 6/4/13 DDPMT TO JPT:APPROVED TO 6/9/14 DD & PT 6/9/13 ATCHAFALAYA DELTA WMA
20596				0	525	JUL. 5/30/13 AMW. 2013 RNTL PD PT 4/13/14
20601				0	281	JUL. 5/30/13 AJL 2013 RNTL PD PT 4/13/14 OPTION
20912				0	208	JUL. 5/30/13 AMW: 2013 RNTL PD PT 4/11/15
20913				0	233	JUL. 5/30/13 AJL: 2013 RNTL PD PT 4/11/15
20914				0	14	JUL. 5/30/13 AMW: 2013 RNTL PD PT 4/11/15
20915				0	248	JUL. 5/30/13 AJL: 2013 RNTL PD



Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: August 7, 2013 8:34 AM

District Code 2 Lafayette

Get Review Date July 10, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
-----------	----	-------	-----------------------	--------------------	-----------------	-----------------------

PT 4/11/15



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 7, 2013 8:34 AM

District Code 3 Lake Charles- North

Get Review Date July 10, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
02066		SENTELL	CV RA SUC; ATKINS-LINCOLN 18 01/16/2008	116	287	JUL. AR 5/23/13 SAM: HBP 7/6/11 VB WILL ADD OLD RELS TO 7/11 REL LIST PER R HECK. ;6/16/11 RS RQD BY MACY; SAM. 170 NP AC, REQ PR 11/18/04 D.C.HAS PR, PROBLEMS.
07029		CHEMARD LAKE	HA RA SUA, PRIEST 12 H 04/28/2009 700-G 09-452	29.202	29.202	JUL. SAR 5/23/13 SAM: HBP, BARELY
14073		CADDO PINE ISLAND		40	40	JUL. AR 5/23/13 SAM: HBP
14260		UNIONVILLE	CV DAVIS RA SUQQ; L G HANNA 01/29/1980 206-E-1 80-50	4	4	JUL AR / TC 5/23/13 SAM: HBP
14261		UNIONVILLE	CV DAVIS RA SUN; H W WRIGHT 12/13/1978 206-E 78-771	8	8	JUL. AR / TC 5/23/13 SAM: HBP
14262		UNIONVILLE	CV DAVIS RA SUO, M C BABINEAUX 12/13/1978 206-E 78-771	12	12	JUL. AR / TC 5/23/13 SAM: HBP
14713		SAILES	HOSS B SUBB; WILLAMETTE 01/01/1995	120	120	JUL. AR 5/23/13 SAM: HBP
15448		PITKIN	AUS C RA SUG, EXXON MINERALS 13 07/29/1997 1412-A-2 97-494	40	40	JUL. SAR 5/23/13 SAM. HBP SPORATIC PRD, SEMI-ANNUAL REVIEW JAN. SAR
15718		SUGRUE	AUS C RA SUB, CROSBY 22 A 05/01/1997	36.9	46	JUL. SAR 5/23/13 SAM: HB POOR PROD, RECK 6 MOS
15719		SUGRUE	AUS C RA SUC; JOHNSON 24 05/01/1997	36.295	40	JUL SAR 5/23/13 SAM: HB POOR PROD, RECK 6 MOS
15720		SUGRUE	AUS C RA SUC; JOHNSON 24 05/01/1997	27.529	31	JUL SAR 5/23/13 SAM: HB POOR PROD, RECK 6 MOS
15721		SUGRUE	AUS C RA SUC; JOHNSON 24 05/01/1997	20	20	JUL. SAR 5/23/13 SAM: HB POOR PROD, RECK 6 MOS
16036		ELM GROVE	LCV RA SUMM; MERCER 9 05/18/1999 361-E-21 99-269	1.838	1.838	JUL AR 5/23/13 SAM HBP; 613151, NO ROYALTY.
16397		SWAN LAKE	HA RA SUG; GORMAN 14-15-11 H 01/27/2009 691-C-1 09-94	12.044	12.044	JUL. AR 5/23/13 SAM: HBP; 616362, NO ROYALTY.



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 7, 2013 8:34 AM

District Code 3 Lake Charles- North

Get Review Date July 10, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
17161		ELM GROVE	HA RA SU93;HUTCHINSON 28 H 11/10/2009 361-L-66 09-1187	10	10	JUL. AR 5/23/13 SAM: HBP
17162		VIXEN	MH B SUC;DEVON-DONNER 02/20/1964 139-F-14 04-645	40	40	JUL. AR 5/23/13 SAM: HBP
17732		ELM GROVE	CV RA SU46;ELM GROVE PLNT 29	15	15	JUL. AR 5/23/13 SAM: HBP
17734		ELM GROVE , SWAN LAKE	HA RA SUH,POOLE ANT 15-15-11 H 01/27/2009 691-C-1 09-94	24.36	24.36	JUL. AR 5/23/13 SAM: HBP 4/22/13 EFF 8/1/11 JPT: CORTN REPLACES PRELIM 100 242002 617052 HA RA SUH - OC APPROVED 4/1/13 PLAT
19123		ELM GROVE	HA RA SU87;CUPPLES H 09/10/2009 361-L-56 09-945	51	51	JUL. AR 5/23/13 SAM: HBP
19124		RED RIVER-BULL BAYOU , THORN LAKE	HA RA SUP,SAMPLE 16 H 05/05/2009 1145-B-15 09-484	55.695	55.695	JUL. AR 5/23/13 SAM: HBP 4/16/13 EFF 7/1/08 SAM: 615933 CORRECTION REPLACES CORRECTION CREATED 2/24/12 HA RD SUF. 28.684 AC TO 19124
20039		GAHAGAN , RED RIVER-BULL BAYOU	HA RA SUBB;ROBINSON ETAL 32H 02/15/2011 909-H-16 11-79	127	127	JUL. AR 5/23/13 SAM: HBP
20040		GAHAGAN	HA RA SUX;MICIOTTO 16 H 03/16/2010 909-H-7 10-275	161	161	JUL. AR 5/23/13 SAM: HBP
20287		ELM GROVE	HA RA SU104;POWERS 28 H 11/03/2009 361-L-62	28.709	28 709	JUL. 5/23/13 SAM: 100% HBP = SUGGEST AR PT 4/14/13 (4/19/11 SAM: 24 LEASED AC CHANGED TO 28.709 PER SRVY PLAT DATED 1/18/10)
20583				0	59	JUL. 5/23/13 SAM: 2013 RNTL PD PT 4/13/14
20584				0	46	JUL. 5/23/13 SAM: 2013 RNTL PD PT 4/13/14
20585				0	66	JUL. 5/23/13 SAM: 2013 RNTL PD PT 4/13/14
20586				0	131	JUL. 5/23/13 SAM: 2013 RNTL PD PT 4/13/14
20587				0	88	JUL. 5/23/13 SAM: 2013 RNTL PD PT 4/13/14
20588				0	32	JUL. 5/23/13 SAM: 2013 RNTL PD PT 4/13/14
20589				0	40	JUL. 5/23/13 SAM: 2013 RNTL PD PT 4/13/14



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 7, 2013 8:34 AM

District Code 3 Lake Charles- North

Get Review Date July 10, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
20590				0	53	JUL. 5/23/13 SAM: 2013 RNTL PD PT 4/13/14
20592				0	34	JUL. 5/23/13 SAM: 2013 RNTL PD PT 4/13/14
20669		SENTELL	CV RA SUF,L MOORE 20 02/03/2009 251-F-2	59.25	129	JUL. 5/31/13 DDPMT TO SAM:JPT APPROVED TO 7/13/14 DD 7/13/13 PT 7/13/14 7/17/12 EFF 2/1/10 JPT 237165 615216 PRELIMINARY 159
20916				0	40	JUL. 5/23/13 SAM: 2013 RNTL PD PT 4/11/15 TAX ADJUDICATED



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: August 7, 2013 8:34 AM

District Code 3S Lake Charles- South  
 Get Review Date July 10, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00050		BIG LAKE , HACKBERRY, EAST	245527-SL 50-169 03/11/2013	760	2639	JUL AR 5/23/13 SAM: HPB PROD AC CHANGED FROM 720 TO 760 BASED ON 19 PRD WELLS GIVEN 40 AC SPACING.
02340		DEEP LAKE	15100 RB SUA,SL 20139 05/03/2011 243-R 11-217	1597.72	1648.77	JUL. AR 5/23/13 SAM: HPB
04318		FRISCO , JUDGE DIGBY	20350 TUSC RC SUA,MARTIN ETAL 02/19/2008 1046-A-66 08-241	27.18	27.18	JUL. AR 5/24/13 EFF 8/1/12 JPT: 235445 617599 U TUSC RA SUN W 27.18 AC EQUIVALENT EQUITIES TO THE 20,350 TUSC RC SUA PRDG TO 3/13.
17774		WEST CAMERON BLOCK 21	SL 17774 04/13/2005	750	750	JUL. AR 5/23/13 SAM: HPB
17775		WEST CAMERON BLOCK 21	390 267 06/15/2010	461.993	461.993	JUL. AR 5/23/13 SAM: HPB
18284		WEST CAMERON BLOCK 21	55.852 09/28/2010	11.948	11.948	JUL. AR 5/23/13 SAM: HPB
18292		WEST CAMERON BLOCK 21	25.851 09/28/2010	104.209	104.209	JUL. AR 5/23/13 SAM: HPB
18356		WEST CAMERON BLOCK 21	64.184 09/28/2010	46.666	46.666	JUL. AR 5/23/13 SAM: HPB
18529		BAYOU CHOUPIQUE	52.929 06/06/2007	15.07	15.07	JUL AR 5/23/13 SAM: HPB
20042		GRAND LAKE	PLAN RA SUA,SL 19938 09/13/2011 214-J 11-514	34.18	327	JUL. 5/23/13 SAM: 3RD ILR PD TO 11/17/13 & FINAL DD PD TO 4/8/14 PT 4/8/13
20139		DEEP LAKE	15100 RB SUA;SL 20139 05/03/2011 243-R 11-217	350.04	744	JUL. 6/19/13 FINAL DDPMT APPROVED TO 8/12/14 DD 8/12/13 PT 8/12/12 ROCKEFELLER WMA
20390		EDGERLY	Y RB SUA;LABOKAY CORP 11 10/05/2010 168-E 10-1016	.749	.749	JUL. 5/23/13 SAM: 100% HPB, SUGGEST AR PT 7/14/13 TAX ADJUDICATED
20391		EDGERLY	Y RB SUA;LABOKAY CORP 11 10/05/2010 168-E 10-1016	1	1	JUL 5/23/13 SAM 100% HPB, SUGGEST AR PT 7/14/13 TAX ADJUDICATED
20392		EDGERLY	Y RB SUA;LABOKAY CORP 11 10/05/2010 168-E 10-1016	3	3	JUL. 5/23/13 SAM 100% HPB, SUGGEST AR PT 7/14/13 TAX ADJUDICATED
20393		EDGERLY	Y RB SUA;LABOKAY CORP 11 10/05/2010 168-E 10-1016	3	3	JUL. 5/23/13 SAM: 100% HPB, SUGGEST AR PT 7/14/13 TAX ADJUDICATED
20394		EDGERLY	Y RB SUA;LABOKAY CORP 11 10/05/2010 168-E 10-1016	3	3	JUL. 5/23/13 SAM: 100% HPB, SUGGEST AR PT 7/14/13 TAX ADJUDICATED
20395		EDGERLY	Y RB SUA;LABOKAY	1	1	JUL. 5/23/13 SAM: 100% HPB,



Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: August 7, 2013 8:34 AM

District Code 3S Lake Charles- South

Get Review Date July 10, 2013

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			CORP 11 10/05/2010 168-E 10-1016			SUGGEST AR PT 7/14/13 TAX ADJUDICATED
20591				0	897	JUL. 5/23/13 SAM: 2013 RNTL PD PT 4/13/14
20593				0	59	JUL. 5/23/13 SAM: 2013 RNTL PD PT 4/13/14
20594				0	805	JUL. 5/23/13 SAM: 2013 RNTL PD PT 4/13/14
20622		HARMONY CHURCH	245485-CF RA SUA,RN MINERALS LLC-001 11/14/2012	6.565	27	JUL. 6/4/13 RCD DDPMT TO SAM:JPT APPROVED TO 6/8/14.. PT 6/8/14 5/29/13 EFF 3/1/13 AJL 245485 051218 CF RA SUA COMPD 3/14/13 OIL, RPTD PRD 3 & 4/13 W 6.565 AC
20910				0	35	JUL. 5/23/13 SAM 2013 RNTL PD PT 4/11/15
20911				0	104	JUL. 5/23/13 SAM: 2013 RNTL PD PT 4/11/15
<b>128</b>				<b>19,517.489</b>	<b>38,418.414</b>	





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

***NOMINATION AND TRACT COMMITTEE REPORT***

The Nomination and Tract Committee, convened at **9:41 a.m.** on Wednesday, **July 10, 2013** with the following members of the Board in attendance:

Mr. Thomas L. Arnold, Jr.    Mr. Emile B. Cordaro    Mr. Dan R. Brouillette  
Mr. Robert M. Morton    Mr. Thomas W. Sanders    Mr. Darryl D. Smith  
Mr. Paul Segura, Jr.

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the September 11, 2013 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Arnold**, duly seconded by **Mr. Smith**, the Committee voted unanimously to recommend to the Board the granting of authority to the staff to advertise all such tracts as have been reviewed by the State Land Office and the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report presented by Mr. Fontenot.

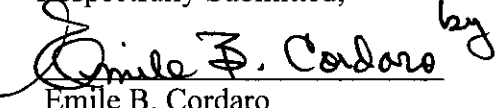

The Committee heard the report of Mr. Byron Miller regarding the re-adoption of seismic permit fees. On the motion of **Mr. Segura**, duly seconded by **Mr. Smith**, the Committee voted unanimously to:

- Adopt and set a fee of \$15.00 per acre, or a minimum of \$1,000.00, whichever is greater, for non-exclusive, regular seismic permit on lands belonging to the State of Louisiana under the jurisdiction of the Wildlife and Fisheries Commission, including wildlife management areas, wildlife refuges, public shooting grounds, or other outdoor recreation areas and
- Adopt and set a fee of \$10.00 per acre, or a minimum of \$1,000.00, whichever is greater, for a non-exclusive, regular seismic permit on all other lands and water bottoms belonging to the State of Louisiana, and
- Adopt and set a fee of \$200.00 per line mile, or \$1,000.00, whichever is

Nomination and Tract Committee Report  
July 10, 2013  
Page -2-

greater, for areas surveyed with 2D coverage only, on either state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission.

The Committee, on the motion of *Mr. Sanders*, seconded by *Mr. Arnold*, voted to adjourn at **9:43 a.m.**

Respectfully Submitted,  
  
Emile B. Cordaro by   
Emile B. Cordaro  
Chairman  
Nomination and Tract Committee

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## NOMINATION AND TRACT COMMITTEE

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

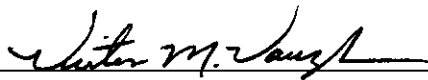
**WHEREAS**, Mr. Emile Fontenot presented to the State Mineral and Energy Board that 54 tracts had been nominated for the September 11, 2013 Mineral Lease Sale, and that same are to be advertised pending staff review; now therefore

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

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

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 10th day of July 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### NOMINATION AND TRACT COMMITTEE

On motion of *Mr. Segura*, duly seconded by *Mr. Smith*, the State Mineral Board by unanimous vote, adopted the following Resolution, to-wit:

**WHEREAS**, R.S. 30:215 mandates that the State Mineral Board meet at least every twelve months and set the price per acre to be paid by entities desiring to perform seismic activity on State-owned lands and/or water bottoms under the non-exclusive, regular seismic permit given under R.S. 30:212, as amended, utilizing all sources to obtain a true market value under the circumstances; and

**WHEREAS**, the State Mineral Board met on July 10, 2013, as mandated, to set the price per acre to be paid for shooting seismic on State-owned lands and/or water bottoms, and pertinent thereto, received information regarding market price per acre for shooting seismic on private acreage and in other states; and

**WHEREAS**, the State Mineral Board has duly considered all pertinent information received regarding its obligation under R. S. 30:212, as amended.

**NOW THEREFORE, BE IT RESOLVED**, that the State Mineral Board does herein and hereby adopt the recommendations and set a fee of **\$15.00** per acre, or a minimum of \$1,000.00, whichever is greater, to be paid for obtaining a non-exclusive, regular seismic permit on lands belonging to the State of Louisiana under the jurisdiction of the Wildlife and Fisheries Commission (WFC), including wildlife management areas, wildlife refuges, public shooting grounds, or other outdoor recreation areas.

**BE IT FURTHER RESOLVED**, that the State Mineral Board does herein and hereby adopt the recommendations and set a fee of **\$10.00** per acre, or a minimum of \$1,000.00, whichever is greater, to be paid for obtaining a non-exclusive, regular seismic permit on all other lands and water bottoms belonging to the State of Louisiana.

**BE IT FURTHER RESOLVED**, that the State Mineral Board does herein and hereby adopt the recommendations and set a fee, if the area surveyed is for 2D coverage only, on either state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the WFC, of \$200.00 per line mile, or \$1,000.00, whichever is greater.

### 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 Board in the City of Baton Rouge, Louisiana, on the 10<sup>th</sup> day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral Board and is now in full force and effect.

  
\_\_\_\_\_  
LOUISIANA STATE MINERAL BOARD



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

**AUDIT COMMITTEE REPORT**

The regular meeting of the Audit Committee of the State Mineral and Energy Board was held on Wednesday, July 10, 2013, following the Nomination and Tract Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building, located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Thomas L. Arnold, Jr.  
Dan R. Brouillette  
Emile B. Cordaro

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

Darryl D. Smith

Mr. Thomas L. Arnold, Jr. convened the Committee at 9:45 a.m.

The first matter considered by the Committee was a penalty waiver request from Encana Oil & Gas (USA), Inc.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Sanders, the committee voted unanimously to approve the 75% penalty waiver of \$11,116.18.

The second matter considered by the committee was a request to place Diasu Oil & Gas Co., Inc. on demand.

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

The third matter considered by the Committee was a request to place Eagle Energy Development Co. on demand.

Upon recommendation of the staff and upon motion of Mr. Sanders, seconded by Mr. Smith, the committee voted unanimously to approve the demand request.

The fourth matter considered by the Committee was a request to place Smith Production Co. on demand.

Upon recommendation of the staff and upon motion of Mr. Brouillette, seconded by Mr. Smith, the committee voted unanimously to approve the demand request.

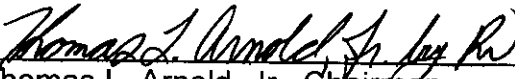
The fifth matter considered by the Committee was a request to place Texon Corporation on demand.

Upon recommendation of the staff and upon motion of Mr. Smith, seconded by Mr. Sanders, the committee voted unanimously to approve the demand request.

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

No action required.

On motion of Mr. Smith, seconded by Mr. Sanders, the Board voted unanimously to adjourn the Audit Committee at 9:55 a.m.

  
\_\_\_\_\_  
Thomas L. Arnold, Jr., Chairman  
Audit Committee

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

**WHEREAS**, Texon Corporation made 10 royalty payments totaling \$5,762.19 from January 2012 through May 2013. Despite repeated efforts by Mineral Income staff, Texon Corporation has not provided state royalty (SR) reports that correspond to these payments; and

**WHEREAS**, Mineral Income staff is requesting authority to place Texon Corporation on demand to submit the SR reports needed to allocate the \$5,762.19 properly; and

**WHEREAS**, the State Mineral and Energy Board agrees with Mineral Income staff recommendation,

**NOW, BE IT THEREFORE RESOLVED**, that the Board does authorize and direct the Mineral Income Director to work with the Attorney General's Office to put Texon Corporation on demand to submit SR reports associated with the January 2012 through May 2013 payments of \$5,762.19.

## 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 10<sup>th</sup> day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral Board and is now in full force and effect.

  
\_\_\_\_\_  
LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

**WHEREAS**, Smith Production Co. made 3 royalty payments totaling \$3,349.92 in November 2012. Despite repeated efforts by Mineral Income staff, Smith Production Co. has not provided state royalty (SR) reports that correspond to these payments; and

**WHEREAS**, Mineral Income staff is requesting authority to place Smith Production Co. on demand to submit the SR reports needed to allocate the \$3,349.92 properly; and

**WHEREAS**, the State Mineral and Energy Board agrees with Mineral Income staff recommendation,

**NOW, BE IT THEREFORE RESOLVED**, that the Board does authorize and direct the Mineral Income Director to work with the Attorney General's Office to put Smith Production Co. on demand to submit SR reports associated with the November 2012 payments of \$3,349.92.

## 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 10<sup>th</sup> day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral Board and is now in full force and effect.

  
\_\_\_\_\_  
LOUISIANA STATE MINERAL AND ENERGY BOARD



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

**WHEREAS**, Eagle Energy Development Co. made 10 royalty payments totaling \$6,596.22 from November 2012 through April 2013. Despite repeated efforts by Mineral Income staff, Eagle Energy Development Co. has not provided state royalty (SR) reports that correspond to these payments; and

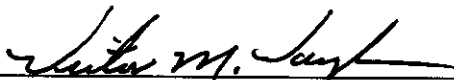
**WHEREAS**, Mineral Income staff is requesting authority to place Eagle Energy Development Co. on demand to submit the SR reports needed to allocate the \$6,596.22 properly; and

**WHEREAS**, the State Mineral and Energy Board agrees with Mineral Income staff recommendation,

**NOW, BE IT THEREFORE RESOLVED**, that the Board does authorize and direct the Mineral Income Director to work with the Attorney General's Office to put Eagle Energy Development Co. on demand to submit SR reports associated with the November 2012 through April 2013 payments of \$6,596.22.

## 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 10<sup>th</sup> day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral Board and is now in full force and effect.



\_\_\_\_\_  
LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

**WHEREAS**, the State Mineral and Energy Board caused a billing letter issuance to Diasu Oil & Gas Co., Inc. for 9 royalty payments totaling \$39,441.68 from January 2011 through July 2012 without a state royalty (SR) report. Despite repeated efforts by Mineral Income staff, Diasu Oil & Gas Co., Inc. has not provided SR reports that correspond to these payments and owes \$1,521.88 for failure to submit SR reports; and

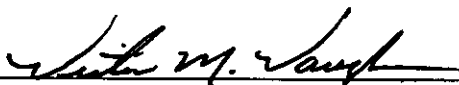
**WHEREAS**, Mineral Income staff is requesting authority to place Diasu Oil & Gas Co., Inc. on demand to remit payment and submit the SR reports needed to allocate the \$39,441.68 properly; and

**WHEREAS**, the State Mineral and Energy Board agrees with Mineral Income staff recommendation,

**NOW, BE IT THEREFORE RESOLVED**, that the Board does authorize and direct the Mineral Income Director to work with the Attorney General's Office to put Diasu Oil & Gas Co., Inc. on demand for billings totaling \$1,521.88 and to submit SR reports associated with the January 2011 through July 2012 payments of \$39,441.68.

## 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 10<sup>th</sup> day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

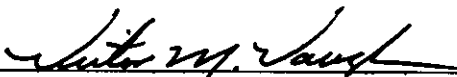
**WHEREAS**, Encana Oil & Gas (USA), Inc. has made a letter application for reduction of penalties assessed in the amount of \$14,821.57 due to late royalty payments in Thorn Lake (8918), State Lease 20476; and

**WHEREAS**, the Mineral Income Division has verified that the underpayment of royalties was discovered and paid by Encana Oil & Gas (USA), Inc. and does recommend that a portion of the penalty be waived;

**THEREFORE, BE IT RESOLVED** that the Board does waive seventy-five percent (75%), which amounts to \$11,116.18 of the total penalty assessed to Encana Oil & Gas (USA), Inc.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 10<sup>th</sup> day of July 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



---

LOUISIANA STATE MINERAL AND ENERGY BOARD



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

**LEGAL AND TITLE CONTROVERSY COMMITTEE REPORT**

The regular meeting of the Legal and Title Controversy Committee of the State Mineral and Energy Board was held on July 10, 2013, following the Audit Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Mr. Thomas W. Sanders  
Mr. W. Paul Segura, Jr.  
Mr. Dan R. Brouillette  
Mr. Robert "Michael" Morton

Mr. Emile B. Cordaro  
Mr. Darryl David Smith  
Mr. Thomas L. Arnold, Jr.

The Legal and Title Controversy Committee was called to order by Mr. Sanders at 9:53 a.m.

The first matter considered by the Committee was a request by Staff to add Item No. 4 of the Addendum dated July 10, 2013 to the Legal and Title Controversy Committee.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Staff's request to add Item No. 4 of the Addendum dated July 10, 2013 to the Legal and Title Controversy Committee. Said item is referred to as the fourth matter in this report.

The second matter considered by the Committee was a request by Petrohawk Operating Company for authority to negotiate with Staff for an operating agreement covering approximately 80.00 state claimed acres situated within the Petrohawk HA RA SUY, located in Section 19, Township 15 North, Range 10 West, Swan Lake Field, Bossier Parish, Louisiana, and that the acreage in question be deemed unavailable for leasing until October 9, 2013, or until an operating agreement is perfected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Petrohawk Operating Company authority to negotiate with Staff for an operating agreement covering approximately 80.00 state claimed acres situated within the Petrohawk HA RA SUY, located in Section 19, Township 15 North, Range 10 West, Swan Lake Field, Bossier Parish, Louisiana, and that the acreage in question be

deemed unavailable for leasing until October 9, 2013, or until an operating agreement is confected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first. No comments were made by the public.

The third matter considered by the Committee was a request by Etroa Resources, LLC for authority to negotiate with Staff for a Lease Extension and Amendment of State Lease No. 20483, situated in Plaquemines Parish, Louisiana to extend the primary term for twelve (12) months or until November 10, 2014, and to amend said lease to include other language required by prior resolution.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Etroa Resources, LLC authority to negotiate with Staff for a Lease Extension and Amendment of State Lease No. 20483, situated in Plaquemines Parish, Louisiana to extend the primary term for twelve (12) months or until November 10, 2014, and to amend said lease to include other language required by prior resolution. No comments were made by the public.

The fourth matter considered by the Committee was a request by Staff to amend State Lease No. 17156, Vermilion Block 17.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Staff authority to amend State Lease No. 17156, as per the terms stipulated in the agreement and to include other language required by prior resolution. No comments were made by the public.

The fifth matter considered by the Committee was a request by the Attorney General's Office for a one (1) month extension on a report pertaining to the Win or Lose Corporation.

Upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant the Attorney General's office a one (1) month extension, being October 9, 2013, to complete the study of the Win or Lose Corporation. On request by the Board for public comment, comments were made by Norman Billiot.

Upon motion of Mr. Arnold, seconded by Mr. Brouillette, the Legal and Title Controversy Committee meeting adjourned at 10:08 a.m.

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

A request was made by Staff to add the following three (3) items to the Legal and Title Controversy Committee Agenda:

- 1) A request by Staff for authority to extend the time to negotiate with S2 Energy I, L.P for an operating agreement covering 503.88 acres of former State Lease No. 14795, and to remove said acreage from commerce until October 9, 2013, or until an operating agreement is confected and placed on the Docket for final approval, whichever occurs first.
- 2) A request by Staff for authority to extend the time to negotiate with Linder Oil Company for an operating agreement covering 10.17 acres of unleased water bottoms situated in Bayou Lacassine, Cameron Parish, Louisiana, being 2.62% in the 8700' RA SUA, Walker No. 007-well, Lakeside Field, and to remove said acreage from commerce until October 9, 2013, or until an operating agreement is confected and placed on the Docket for final approval, whichever occurs first.
- 3) A request by Staff for authority to extend the time to negotiate with JGC Energy Development (USA) for an operating agreement covering 160.00 acres of former State Lease No. 10215, and to remove said acreage from commerce until October 9, 2013, or until an operating agreement is confected and placed on the Docket for final approval, whichever occurs first.

Upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board add the above referenced three (3) items to the Legal and Title Controversy Committee Agenda that are referred to as the sixth, seventh, and eighth matters in this report.

The sixth matter considered by the Committee was a request by Staff for authority to extend the time to negotiate with S2 Energy I, L.P. for an operating agreement covering 503.88 acres of former State Lease No. 14795, and to remove said acreage from commerce until October 9, 2013, or until an operating agreement is confected and placed on the Docket for final approval, whichever occurs first.

Upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Staff authority to extend the time to negotiate with S2 Energy I, L.P. for an operating agreement covering 503.88 acres of former State Lease No. 14795, and to remove said acreage from commerce until October 9, 2013, or until an operating agreement is confected and placed on the Docket for final approval, whichever occurs first.

The seventh matter considered by the Committee was a request by Staff for authority to extend the time to negotiate with Linder Oil Company for an operating agreement covering 10.17 acres of unleased water bottoms situated in Bayou Lacassine, Cameron Parish, Louisiana, being 2.62% in the 8700' RA SUA, Walker No.

007-well, Lakeside Field, and to remove said acreage from commerce until October 9, 2013, or until an operating agreement is confected and placed on the Docket for final approval, whichever occurs first.

Upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Staff authority to extend the time to negotiate with Linder Oil Company for an operating agreement covering 10.17 acres of unleased water bottoms situated in Bayou Lacassine, Cameron Parish, Louisiana, being 2.62% in the 8700' RA SUA, Walker No. 007-well, Lakeside Field, and to remove said acreage from commerce until October 9, 2013, or until an operating agreement is confected and placed on the Docket for final approval, whichever occurs first.

The eighth matter considered by the Committee was a request by Staff for authority to extend the time to negotiate with JGC Energy Development (USA) for an operating agreement covering 160.00 acres of former State Lease No. 10215, Little Lake Field, Jefferson Parish, Louisiana, and to remove said acreage from commerce until October 9, 2013, or until an operating agreement is confected and placed on the Docket for final approval, whichever occurs first.

Upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Staff authority to extend the time to negotiate with JGC Energy Development (USA) for an operating agreement covering 160.00 acres of former State Lease No. 10215, Little Lake Field, Jefferson Parish, Louisiana, and to remove said acreage from commerce until October 9, 2013, or until an operating agreement is confected and placed on the Docket for final approval, whichever occurs first.

Upon motion of Mr. Segura, seconded by Mr. Arnold, the Legal and Title Controversy Committee meeting adjourned at 11:07 a.m.

*Thomas W. Sanders* by *G.F.*  
\_\_\_\_\_  
Mr. Thomas W. Sanders  
Legal and Title Controversy Committee  
Louisiana State Mineral and Energy Board

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

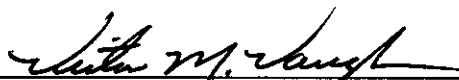
**WHEREAS**, a request was made by Staff to add Item No. 4 of the Addendum dated July 10, 2013 to the Legal and Title Controversy Committee;

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

**NOW, BE IT THEREFORE RESOLVED** that the Committee recommends that the State Mineral and Energy Board grant Staff's request to add Item No. 4 of the Addendum dated July 10, 2013 to the Legal and Title Controversy Committee.

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



\_\_\_\_\_  
LOUISIANA STATE MINERAL AND ENERGY BOARD



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

**WHEREAS**, a request was made by Petrohawk Operating Company for authority to negotiate with Staff for an operating agreement covering approximately 80.00 state claimed acres situated within the Petrohawk HA RA SUY, located in Section 19, Township 15 North, Range 10 West, Swan Lake Field, Bossier Parish, Louisiana, and that the acreage in question be deemed unavailable for leasing until October 9, 2013, or until an operating agreement is confected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant Petrohawk Operating Company authority to negotiate with Staff for an operating agreement covering approximately 80.00 state claimed acres situated within the Petrohawk HA RA SUY, located in Section 19, Township 15 North, Range 10 West, Swan Lake Field, Bossier Parish, Louisiana, and that the acreage in question be deemed unavailable for leasing until October 9, 2013, or until an operating agreement is confected and placed on the Mineral and Energy Board Docket for approval, whichever occurs first.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



\_\_\_\_\_  
LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

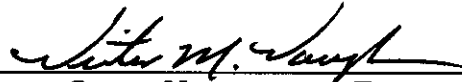
**WHEREAS**, a request was made by Etroa Resources, LLC for authority to negotiate with Staff for a Lease Extension and Amendment of State Lease No. 20483, situated in Plaquemines Parish, Louisiana to extend the primary term for twelve (12) months or until November 10, 2014, and to amend said lease to include other language required by prior resolution;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant Etroa Resources, LLC authority to negotiate with Staff for a Lease Extension and Amendment of State Lease No. 20483, situated in Plaquemines Parish, Louisiana to extend the primary term for twelve (12) months or until November 10, 2014, and to amend said lease to include other language required by prior resolution.

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



LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

**WHEREAS**, a request was made by Staff to amend State Lease No. 17156, Vermilion Block 17;

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

**NOW, BE IT THEREFORE RESOLVED** that the Committee recommends that the State Mineral and Energy Board grant Staff authority to amend State Lease No. 17156, as per the terms stipulated in the agreement and to include other language required by prior resolution.

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

  
\_\_\_\_\_  
LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

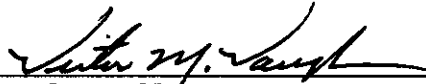
**WHEREAS**, a request was made by the Attorney General's Office for a one (1) month extension on a report pertaining to the Win or Lose Corporation;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant the Attorney General's office a one (1) month extension, being October 9, 2013, to complete the study of the Win or Lose Corporation.

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



---

LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

**WHEREAS**, a request was made by Staff for authority to extend the time to negotiate with S2 Energy I, L.P. for an operating agreement covering 503.88 acres of former State Lease No. 14795, and to remove said acreage from commerce until October 9, 2013, or until an operating agreement is confected and placed on the Docket for final approval, whichever occurs first;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant Staff authority to extend the time to negotiate with S2 Energy I, L.P. for an operating agreement covering 503.88 acres of former State Lease No. 14795, and to remove said acreage from commerce until October 9, 2013, or until an operating agreement is confected and placed on the Docket for final approval, whichever occurs first.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.

  
\_\_\_\_\_  
LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

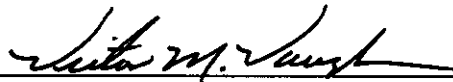
**WHEREAS**, a request was made by Staff for authority to extend the time to negotiate with Linder Oil Company for an operating agreement covering 10.17 acres of unleased water bottoms situated in Bayou Lacassine, Cameron Parish, Louisiana, being 2.62% in the 8700' RA SUA, Walker No. 007-well, Lakeside Field, and to remove said acreage from commerce until October 9, 2013, or until an operating agreement is confected and placed on the Docket for final approval, whichever occurs first;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant Staff authority to extend the time to negotiate with Linder Oil Company for an operating agreement covering 10.17 acres of unleased water bottoms situated in Bayou Lacassine, Cameron Parish, Louisiana, being 2.62% in the 8700' RA SUA, Walker No. 007-well, Lakeside Field, and to remove said acreage from commerce until October 9, 2013, or until an operating agreement is confected and placed on the Docket for final approval, whichever occurs first.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

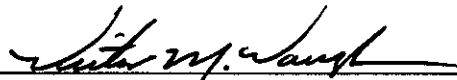
**WHEREAS**, a request was made by Staff for authority to extend the time to negotiate with JGC Energy Development (USA) for an operating agreement covering 160.00 acres of former State Lease No. 10215, Little Lake Field, Jefferson Parish, Louisiana, and to remove said acreage from commerce until October 9, 2013, or until an operating agreement is completed and placed on the Docket for final approval, whichever occurs first;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant Staff authority to extend the time to negotiate with JGC Energy Development (USA) for an operating agreement covering 160.00 acres of former State Lease No. 10215, Little Lake Field, Jefferson Parish, Louisiana, and to remove said acreage from commerce until October 9, 2013, or until an operating agreement is completed and placed on the Docket for final approval, whichever occurs first.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

**BOBBY JINDAL**  
GOVERNOR



**STEPHEN CHUSTZ**  
INTERIM SECRETARY

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

DOCKET REVIEW COMMITTEE REPORT

The Docket Review Committee convened at 10:10 a.m. on Wednesday, July 10, 2013. Board Members present were Mr. W. Paul Segura, Jr., Mr. Thomas L. Arnold, Jr., Mr. Emile Cordaro, Mr. Thomas W. Sanders, Mr. Darryl D. Smith, Mr. Robert "Michael" Morton and Mr. Dan R. Brouillette

The Committee made the following recommendations:

Approve State Agency Leases A, B, C and D on pages 1, 2 and 3;

Approve all Assignments on pages 4 through 12; Nos. 17 and 18 on page 9 would be deferred at the request of the staff;

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

There being no further business to come before the committee, upon motion of Mr. Arnold, and seconded by Mr. Sanders, the committee voted unanimously to adjourn the meeting at 10:13 a.m.

Respectfully submitted,

Handwritten signature of W. Paul Segura Jr. in black ink, written over a horizontal line.

Mr. W. Paul Segura  
Docket Review Committee

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



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the July 10, 2013 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Plaquemines Parish Government, dated May 9<sup>th</sup>, 2013, awarded to Hilcorp Energy I, L.P., covering lands located in Section 19, Township 22 South, Range 31 East, Plaquemines Parish, Louisiana, containing approximately 320.00 acres, more or less, with further contractual obligations being more enumerated in the instrument.

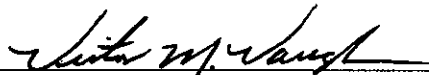
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
\_\_\_\_\_  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item B from the July 10, 2013 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Lafourche Parish School Board, dated May 16, 2013, awarded to Allen & Kirmse, Ltd., covering lands located in Section 16, Township 21 South, Range 22 East, Lafourche Parish, Louisiana, containing approximately 437.16 acres, more or less, with further contractual obligations being more enumerated in the instrument.

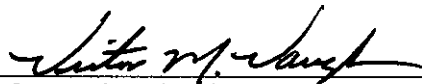
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
\_\_\_\_\_  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item C from the July 10, 2013 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Lafourche Parish Government, dated March 12, 2013, awarded to Square Mile Energy, L.L.C., covering lands located in Sections 59, Township 17 South, Range 19 East and Section 49, Township 17 South, Range 18 East, Lafourche Parish, Louisiana, containing 6.9 acres, more or less, with further contractual obligations being more enumerated in the instrument.

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
\_\_\_\_\_  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item D from the July 10, 2013 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Parish of Jefferson, dated April 30, 2013, awarded to ExPert Oil & Gas, LLC, covering lands located in Section 3, Township 13 South, Range 23 East, Jefferson Parish, Louisiana, containing approximately 4.0 acres, more or less, with further contractual obligations being more enumerated in the instrument.

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
\_\_\_\_\_  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Arnold seconded by Mr. Sanders, 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, 2013 Meeting be approved, said instrument being an Assignment from Manti Exploration & Production, Inc. and Manti Equity Partners, LP, of all of Assignor's right, title and interest to the following in the proportions set out below:

LLOG Exploration Company, L.L.C	13.9126%
BTA Oil Producers, L.L.C	6.9563%
Catapult Exploration, LLC	2.2561%

in and to State Lease Nos 20560 and 20561, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

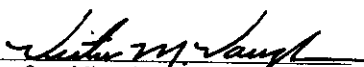
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Arnold seconded by Mr. Sanders, 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, 2013 Meeting be approved, said instrument being an Assignment from Cypress Energy Corporation to Houston Energy, L.P., of all of Assignor's right, title and interest in and to State Lease Nos. 21137, 21138, 21150, 21151 and 21152, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

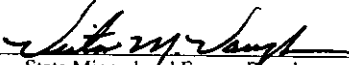
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Arnold seconded by Mr. Sanders, 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, 2013 Meeting be approved, said instrument being an Assignment from LaBay Exploration Co., L.L.C. to Cathexis Oil & Gas, LLC, of all of Assignor's right, title and interest in and to State Lease No. 20878, St. Mary Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease is included within the geographical boundaries of the 11,000' RA SUA, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Luther M. Vaughn  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Arnold seconded by Mr. Sanders, 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, 2013 Meeting be approved, said instrument being a Merger whereby The Wiser Oil Company is merging with and into Forest Oil Corporation, under the name of Forest Oil Corporation, affecting State Lease Nos. 14645, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Arnold seconded by Mr. Sanders, 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, 2013 Meeting be approved, said instrument being a Change of Name whereby Maynard Oil Company is changing its name to Forest Oil Permian Corporation, affecting State Lease No. 649, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Arnold seconded by Mr. Sanders, 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, 2013 Meeting be approved, said instrument being an Assignment from Indigo Minerals LLC to Indigo Minerals II LLC, of all of Assignor's right, title and interest in and to State Lease No. 12104, Livingston Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Arnold seconded by Mr. Sanders, 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, 2013 Meeting be approved, said instrument being an Assignment from Indigo Minerals II LLC to Indigo II Louisiana Operating LLC, all of Assignor's right, title and interest in and to State Lease No. 12104, Livingston Parish, Louisiana, with further particulars being stipulated in the instrument

Indigo II Louisiana Operating LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

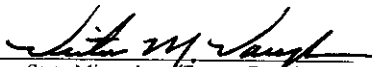
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Arnold seconded by Mr. Sanders, 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, 2013 Meeting be approved, said instrument being an Ratification of Assignment and Ratification of the Correction of Assignment, dated effective September 1, 2011, by and between Coquille Bay Investors LLC, Coquille Bay Investors II LLC and Dimension Energy C.B., L.L.C., whereas said parties desire to ratify, adopt and confirm the said Assignment transferred any interest that Coquille Bay Investors LLC and Coquille Bay Investors II LLC may own in said lease as described in said Assignment and Correction of Assignment to Dimension Energy C B , L.L.C . in and to State Lease No. 17236, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 19th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Arnold seconded by Mr. Sanders, 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, 2013 Meeting be approved, said instrument being an Assignment from Devon Energy Production Company, LP to Tiptop Energy Production US LLC, an undivided 33 3/4% of Assignor's right, title and interest in and to State Lease No. 20876, Tangipahoa Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 10 from the July 10, 2013 Meeting be approved, said instrument being an Assignment from Devon Energy Production Company, LP to Tiptop Energy Production US LLC, an undivided 33 3% of Assignor's right, title and interest in and to State Lease Nos. 20769, 20887, 20888, 20889 and 20890, West Feliciana Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

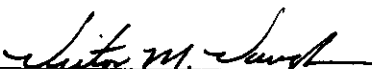
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11 from the July 10, 2013 Meeting be approved, said instrument being an Assignment from Calypso Exploration, LLC to Toce Energy, L.L.C. of all of Assignor's right, title and interest in and to State Lease No 19354, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12 from the July 10, 2013 Meeting be approved, said instrument being an Assignment from Manti Equity Partners, LP to Manti, LP, a 03337% interest in and to State Lease No. 21015, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13 from the July 10, 2013 Meeting be approved, said instrument being a Sublease from D. B. Interests L.L.C. to Indigo II Louisiana Operating, LLC, of all of Sublessor's right, title and interest in and to State Lease No. 20714, Natchitoches Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers land located in the SE of the NW/4 of Section 28, Township 6 North, Range 4 West, **AND INSOFAR AND ONLY INSOFAR AS** said lease covers and includes those depths and formations 100' below the base of the Wilcox Formation (the "deep rights"), with further particulars being stipulated in the instrument.

Indigo II Louisiana Operating, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

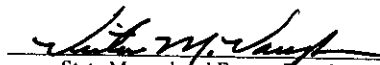
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 14 from the July 10, 2013 Meeting be approved, said instrument being an Assignment from 1989 Galbraith Oil & Gas Program to 1996 Galbraith Oil & Gas Limited Partnership, of all of Assignor's right, title and interest in and to State Lease No. 13734, Lincoln and Union Parishes, Louisiana, with further particulars being stipulated in the instrument.

1996 Galbraith Oil & Gas Limited Partnership is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

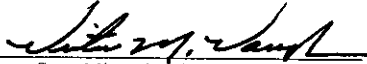
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 15 from the July 10, 2013 Meeting be approved, said instrument being an Assignment from Manti Equity Partners to Dune Properties, Inc., an undivided 40% of Assignor's right, title and interest in and to State Lease No. 20783, Lafourche Parish, Louisiana, **LESS AND EXCEPT** that portion of the lease that is included within Sections 30 and 31, Township 21 South, Range 22 East, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16 from the July 10, 2013 Meeting be approved, said instrument being an Assignment from Chevron U.S.A. Inc., of all of Assignor's right, title and interest to the following in the proportions set out below.

McMoRan Oil & Gas LLC	36%
Energy XXI Onshore, LLC	9%
W.A. "Tex" Moncrief, Jr.	5%

in and to State Lease Nos. 20571, 20572, 20573, 20574, 20575 and 20576, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17 from the July 10, 2013, Meeting be deferred at the request of the staff, said instrument being an Assignment from HEP Partners, L.P. to Okie Operating Company Ltd., of all of Assignor's right, title and interest in and to State Lease No. 14371, Iberville Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### 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, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
\_\_\_\_\_  
State Mineral and Energy Board

# RESOLUTION

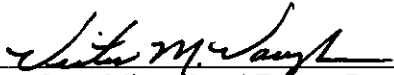
LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18 from the July 10, 2013, Meeting be deferred at the request of the staff, said instrument being a Merger whereby HEP Partners, L.P. is merging with and into Chevron Midcontinent, L.P., affecting State Lease Nos. 4183, 7964 and 8191, Acadia, Cameron and Plaquemines Parishes, Louisiana, with further particulars being stipulated in the instrument.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
\_\_\_\_\_  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 19 from the July 10, 2013 Meeting be approved, said instrument being an Assignment from Gray Production Company, of all of Assignor's right, title and interest to the following in the proportions set out below:

Manti Equity Partners, LP	56.4%
Manti Exploration & Production, Inc	3.6%
Dune Properties, Inc.	40.0%

in and to State Lease Nos 20972 and 20973, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 20 from the July 10, 2013 Meeting be approved, said instrument being an Assignment from Bay Gas, LLC, a 100% working interest to the following in the proportions set out below

Bay Gas, LLC	.030000
Judith B Benson	100000
CTM 2005, Ltd	040000
Capricorn Cricket Properties	.050000
Coastal Exploration, Inc	060000
COMEX, L L C	050000
Curocom Energy, LLC	100000
D & D Drilling & Exploration, Inc.	050000
ERAM, Inc	010000
Geo-Pro, LLC	010000
McGoldrick Oil Co.	050000
Northstar Producing I, LP	010000
Jerry P Ogden	163750
Pickens Financial Group, LLC	.050000
S&P Co.	050000
Sabine Interests, L L C.	.100000
Donald L. Smith, Inc	025000
Richard E Tauber	010000
David W Tauber	010000
W T Drilling Company, Inc	031250

in and to State Lease No 19930, Concordia Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 21 from the July 10, 2013 Meeting be approved, said instrument being an Assignment from Victoria Grigsby Johnson to Greyhound Investments, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 2524, 2918, 4041, 4043, 5567, 5568, 5685, 5779 and 6815, Caddo, Jefferson and St. Charles Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

McMoRan Oil & Gas LLC	36%
Energy XXI Onshore, LLC	9%
W.A. "Tex" Moncrief, Jr.	5%

in and to State Agency Lease No. 20811, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 10th day of July, 2013, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

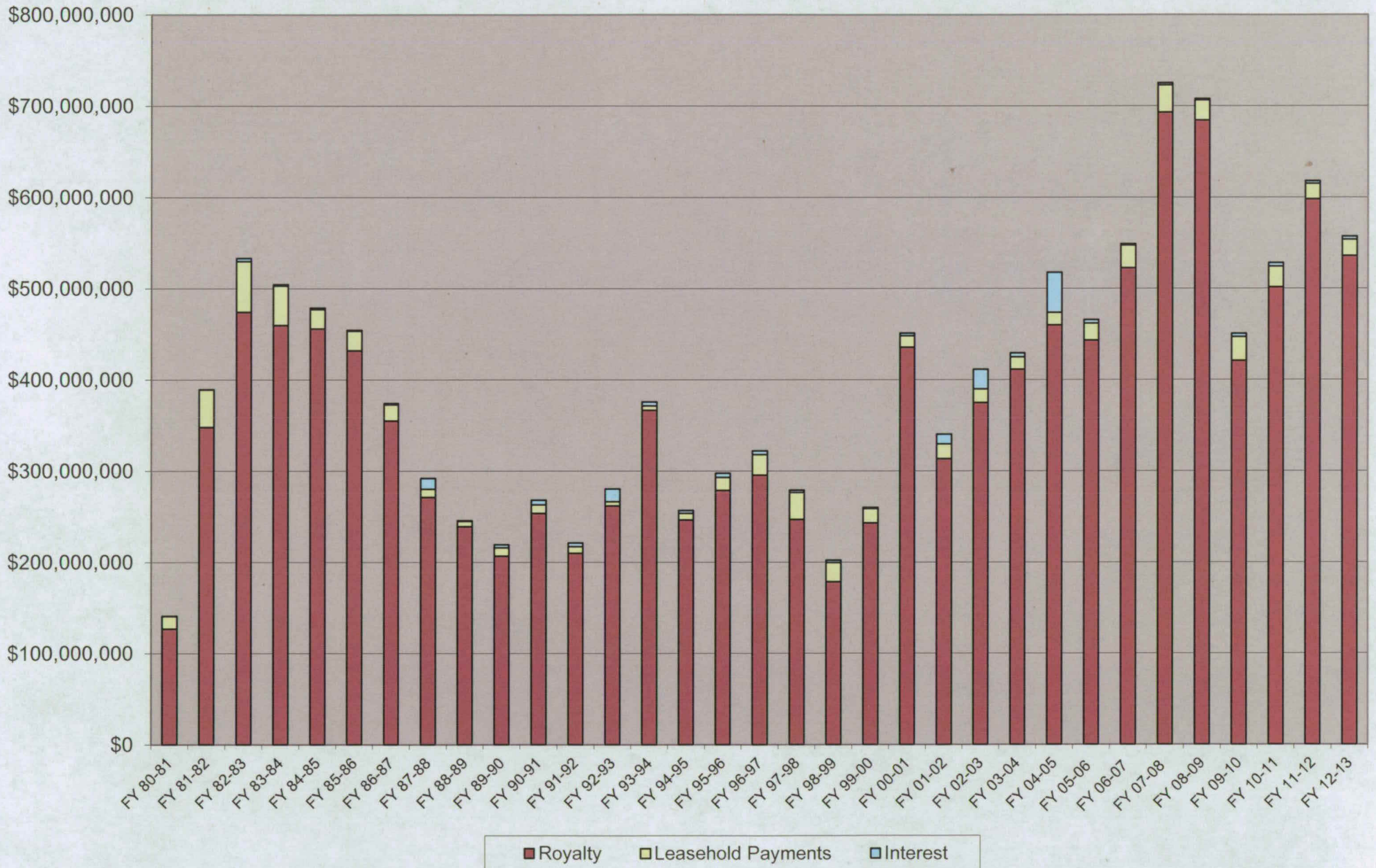
  
State Mineral and Energy Board



# Office of Mineral Resources Mineral and Energy Board Meeting

July 10, 2013

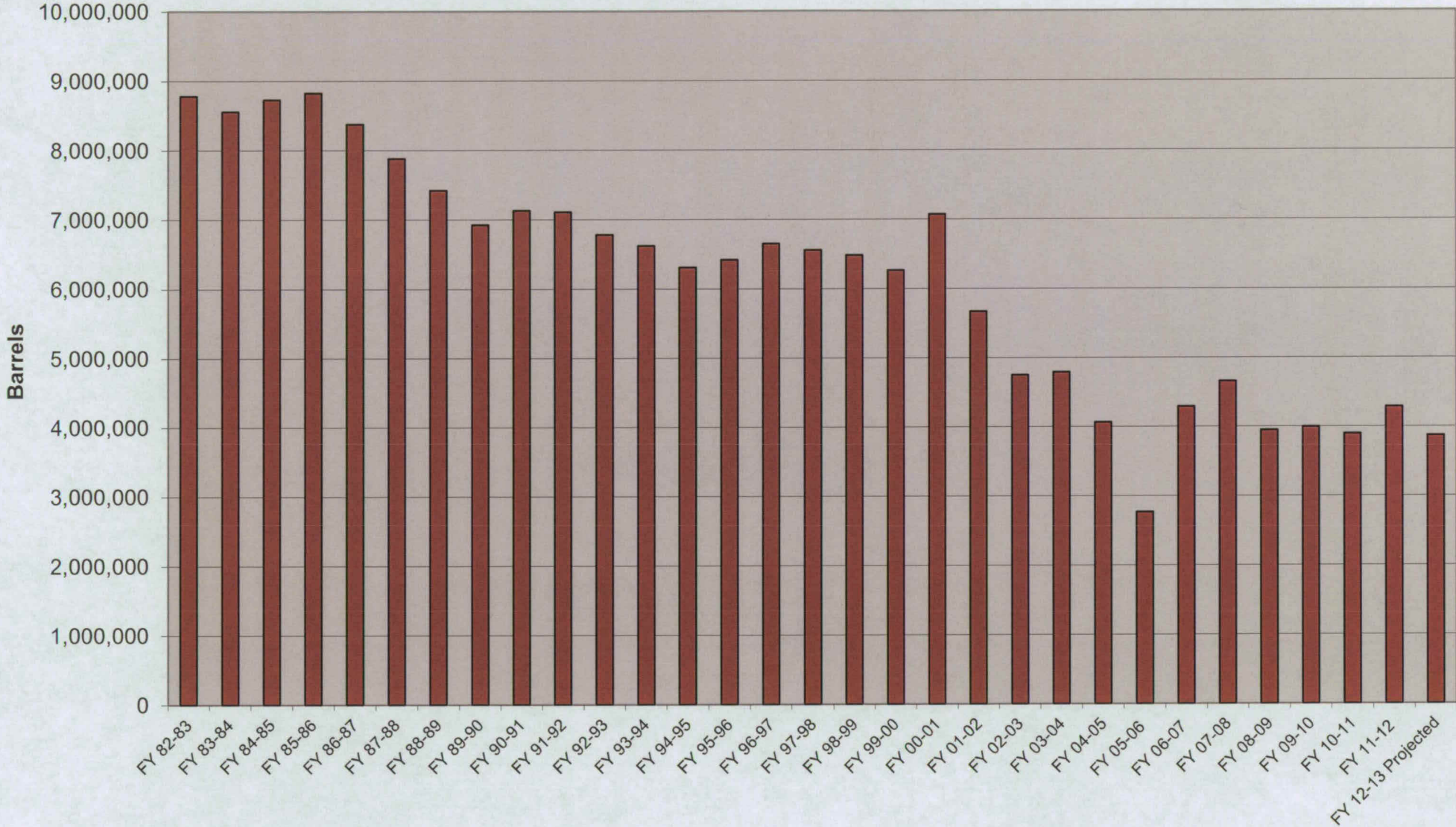
## Historical Cash Receipts



## Historical Cash Receipts

	<u>Bonus</u>	<u>Royalty</u>	<u>Leasehold Payments</u>	<u>Interest</u>	<u>Total</u>	<u>Monthly Average</u>
FY 80-81	\$198,104,745	\$126,962,938	\$13,726,070	\$38,009	\$338,831,763	\$28,235,980
FY 81-82	\$131,117,077	\$348,027,422	\$40,948,515	\$265,203	\$520,358,217	\$43,363,185
FY 82-83	\$125,077,331	\$474,263,313	\$55,641,805	\$3,391,727	\$658,374,176	\$54,864,515
FY 83-84	\$44,758,460	\$459,698,249	\$43,255,022	\$1,524,256	\$549,235,986	\$45,769,665
FY 84-85	\$55,880,090	\$455,791,830	\$21,309,253	\$1,763,379	\$534,744,551	\$44,562,046
FY 85-86	\$61,170,201	\$431,815,874	\$21,511,753	\$1,113,371	\$515,611,199	\$42,967,600
FY 86-87	\$25,942,570	\$354,879,094	\$17,665,672	\$1,606,832	\$400,094,168	\$33,341,181
FY 87-88	\$12,353,802	\$271,257,912	\$8,929,753	\$11,979,478	\$304,520,945	\$25,376,745
FY 88-89	\$28,745,161	\$239,046,099	\$5,812,014	\$843,904	\$274,447,179	\$22,870,598
FY 89-90	\$14,566,153	\$206,720,056	\$9,269,143	\$3,222,195	\$233,777,547	\$19,481,462
FY 90-91	\$11,165,526	\$253,746,520	\$9,211,891	\$5,203,730	\$279,327,667	\$23,277,306
FY 91-92	\$6,434,397	\$209,901,054	\$7,311,704	\$3,921,211	\$227,568,366	\$18,964,030
FY 92-93	\$8,440,252	\$261,813,228	\$4,740,303	\$13,900,890	\$288,894,674	\$24,074,556
FY 93-94	\$12,717,182	\$366,476,927	\$4,991,838	\$4,217,741	\$388,403,688	\$32,366,974
FY 94-95	\$24,823,265	\$246,335,063	\$7,203,636	\$3,218,058	\$281,580,022	\$23,465,002
FY 95-96	\$32,593,416	\$278,760,461	\$14,298,740	\$4,561,045	\$330,213,662	\$27,517,805
FY 96-97	\$53,288,169	\$295,576,020	\$22,314,560	\$4,249,293	\$375,428,041	\$31,285,670
FY 97-98	\$50,493,823	\$246,741,067	\$29,645,527	\$2,740,889	\$329,621,306	\$27,468,442
FY 98-99	\$19,050,657	\$178,424,388	\$21,074,412	\$2,531,361	\$221,080,819	\$18,423,402
FY 99-00	\$18,569,755	\$242,898,371	\$15,915,901	\$1,091,752	\$278,475,778	\$23,206,315
FY 00-01	\$32,740,448	\$435,407,994	\$12,663,749	\$2,842,244	\$483,654,435	\$40,304,536
FY 01-02	\$23,694,681	\$313,406,688	\$16,272,288	\$10,490,957	\$363,864,614	\$30,322,051
FY 02-03	\$22,598,580	\$374,872,047	\$14,874,075	\$21,524,326	\$433,869,028	\$36,155,752
FY 03-04	\$25,978,167	\$411,350,277	\$13,474,503	\$4,304,885	\$455,107,832	\$37,925,653
FY 04-05	\$38,696,837	\$459,982,045	\$13,769,854	\$43,902,608	\$556,351,343	\$46,362,612
FY 05-06	\$37,995,175	\$443,298,720	\$18,494,328	\$3,910,046	\$503,698,269	\$41,974,856
FY 06-07	\$52,139,307	\$522,453,427	\$25,057,910	\$1,335,183	\$600,985,827	\$50,082,152
FY 07-08	\$61,175,021	\$693,034,893	\$29,820,735	\$2,322,081	\$786,352,730	\$65,529,394
FY 08-09	\$143,182,978	\$684,405,483	\$21,853,067	\$1,581,618	\$851,023,146	\$70,918,596
FY 09-10	\$29,151,741	\$420,718,802	\$26,049,542	\$3,612,904	\$479,532,989	\$39,961,082
FY 10-11	\$30,293,007	\$501,602,312	\$22,735,393	\$3,725,864	\$558,356,576	\$46,529,715
FY 11-12	\$28,328,115	\$598,011,946	\$16,850,804	\$2,921,848	\$646,112,713	\$53,842,726
FY 12-13	\$17,365,615	\$535,801,788	\$17,837,246	\$3,539,485	\$574,544,134	\$47,878,678
	\$1,478,631,703	\$12,343,482,307	\$624,531,007	\$177,398,372	\$14,624,043,389	
% of Total	10%	85%	4%	1%		

# Historical Oil Production

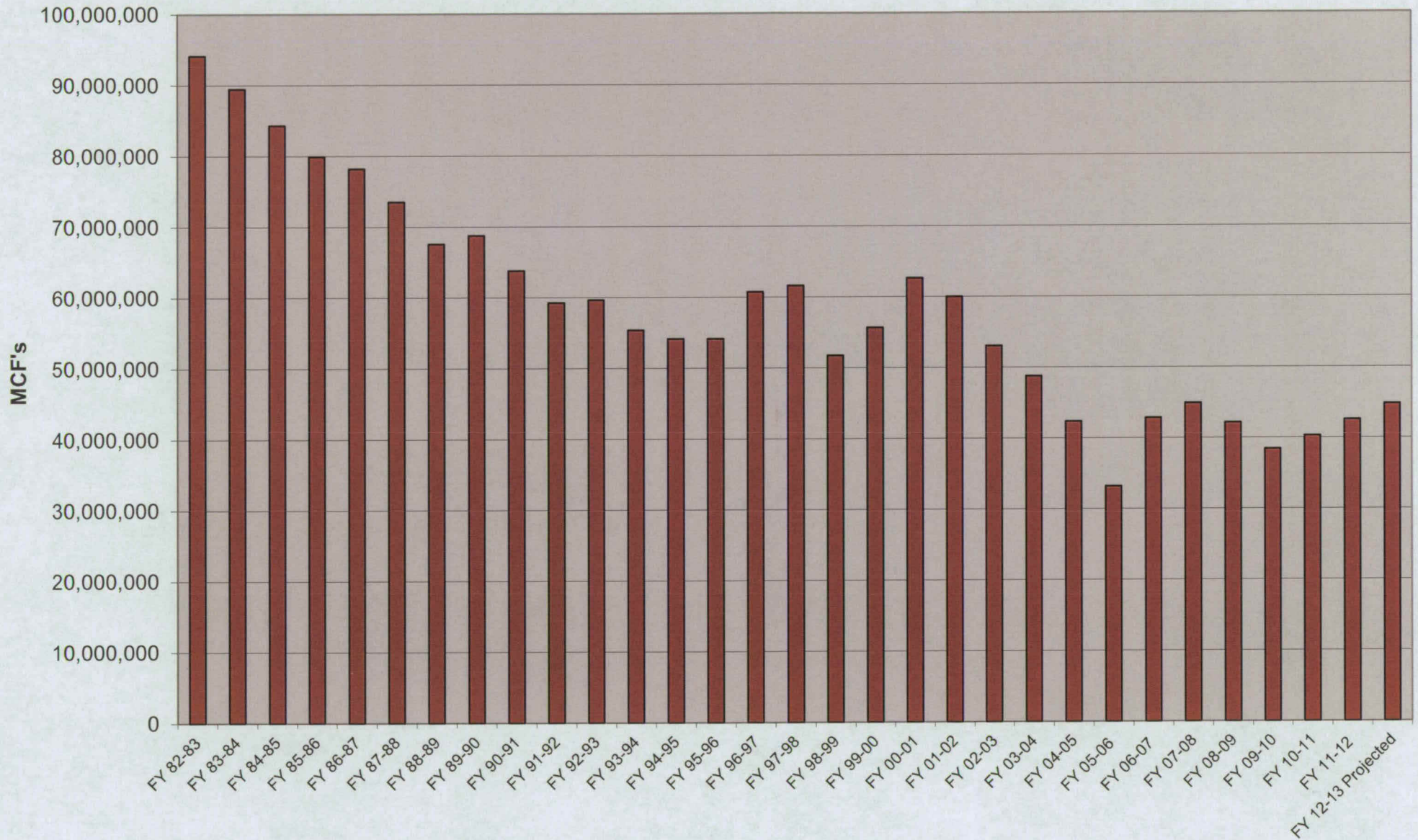


Oil Production

## Historical Oil Production

	<u>Barrels</u>
FY 82-83	8,781,026
FY 83-84	8,558,474
FY 84-85	8,730,682
FY 85-86	8,824,976
FY 86-87	8,377,006
FY 87-88	7,882,985
FY 88-89	7,423,374
FY 89-90	6,925,937
FY 90-91	7,131,084
FY 91-92	7,112,144
FY 92-93	6,782,359
FY 93-94	6,621,212
FY 94-95	6,309,036
FY 95-96	6,418,023
FY 96-97	6,653,990
FY 97-98	6,561,424
FY 98-99	6,485,581
FY 99-00	6,264,810
FY 00-01	7,073,883
FY 01-02	5,670,120
FY 02-03	4,747,875
FY 03-04	4,790,574
FY 04-05	4,065,744
FY 05-06	2,766,635
FY 06-07	4,291,644
FY 07-08	4,657,678
FY 08-09	3,948,092
FY 09-10	3,997,765
FY 10-11	3,896,102
FY 11-12	4,288,676
FY 12-13 Projected	3,870,710
	189,909,619
% of Total	2%

## Historical Gas Production



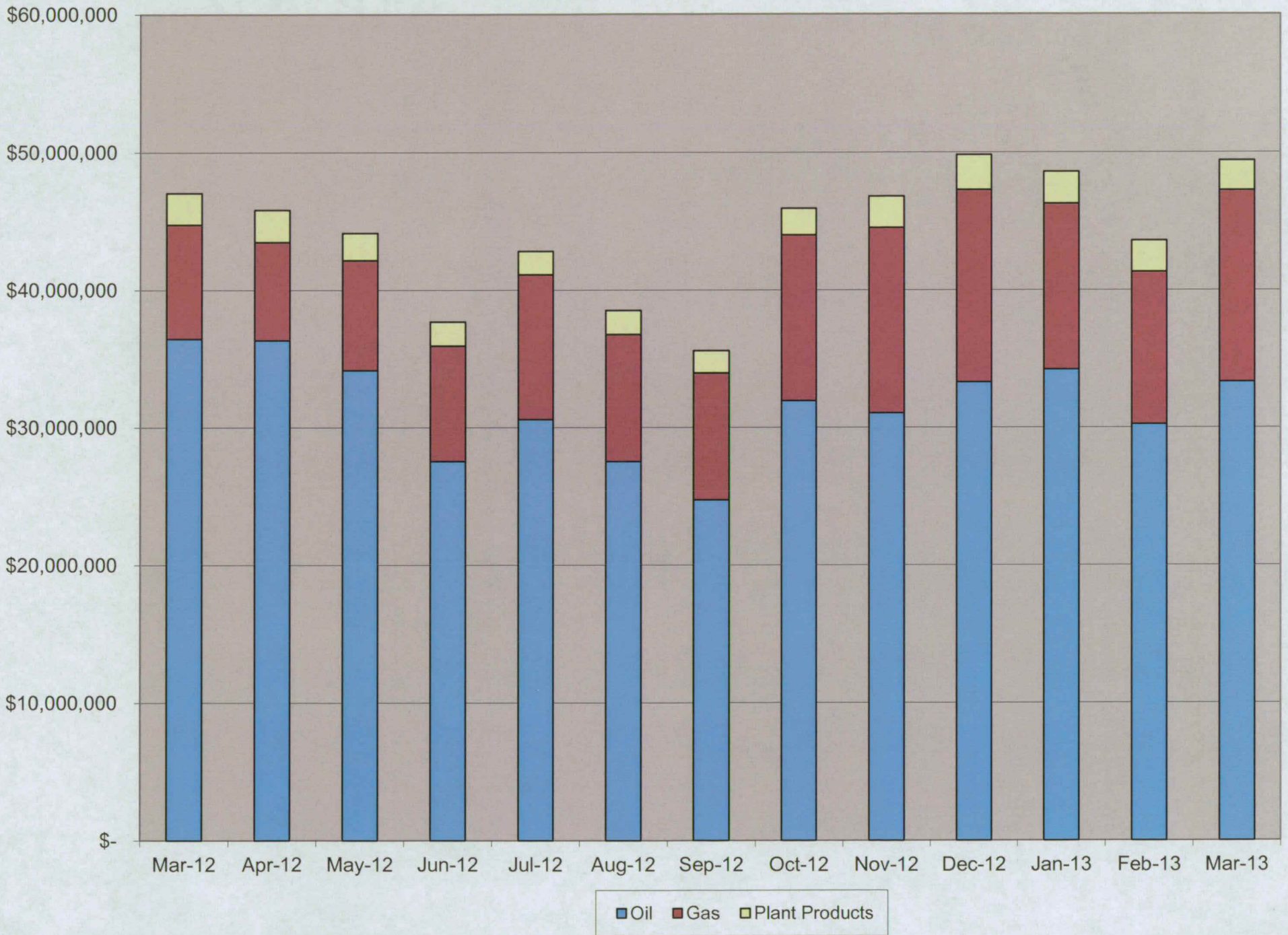
■ Gas Production



## Historical Gas Production

	<u>MCF's</u>
FY 82-83	94,125,368
FY 83-84	89,454,160
FY 84-85	84,301,670
FY 85-86	79,934,040
FY 86-87	78,234,139
FY 87-88	73,532,729
FY 88-89	67,566,288
FY 89-90	68,771,995
FY 90-91	63,785,078
FY 91-92	59,265,715
FY 92-93	59,631,387
FY 93-94	55,353,141
FY 94-95	54,136,350
FY 95-96	54,136,350
FY 96-97	60,755,685
FY 97-98	61,613,141
FY 98-99	51,729,194
FY 99-00	55,650,030
FY 00-01	62,648,531
FY 01-02	59,989,148
FY 02-03	53,028,702
FY 03-04	48,754,276
FY 04-05	42,369,541
FY 05-06	33,179,715
FY 06-07	42,851,389
FY 07-08	44,928,254
FY 08-09	42,165,658
FY 09-10	38,438,871
FY 10-11	40,268,682
FY 11-12	42,540,567
FY 12-13 Projected	44,795,288
	1,807,935,082
% of Total	2%

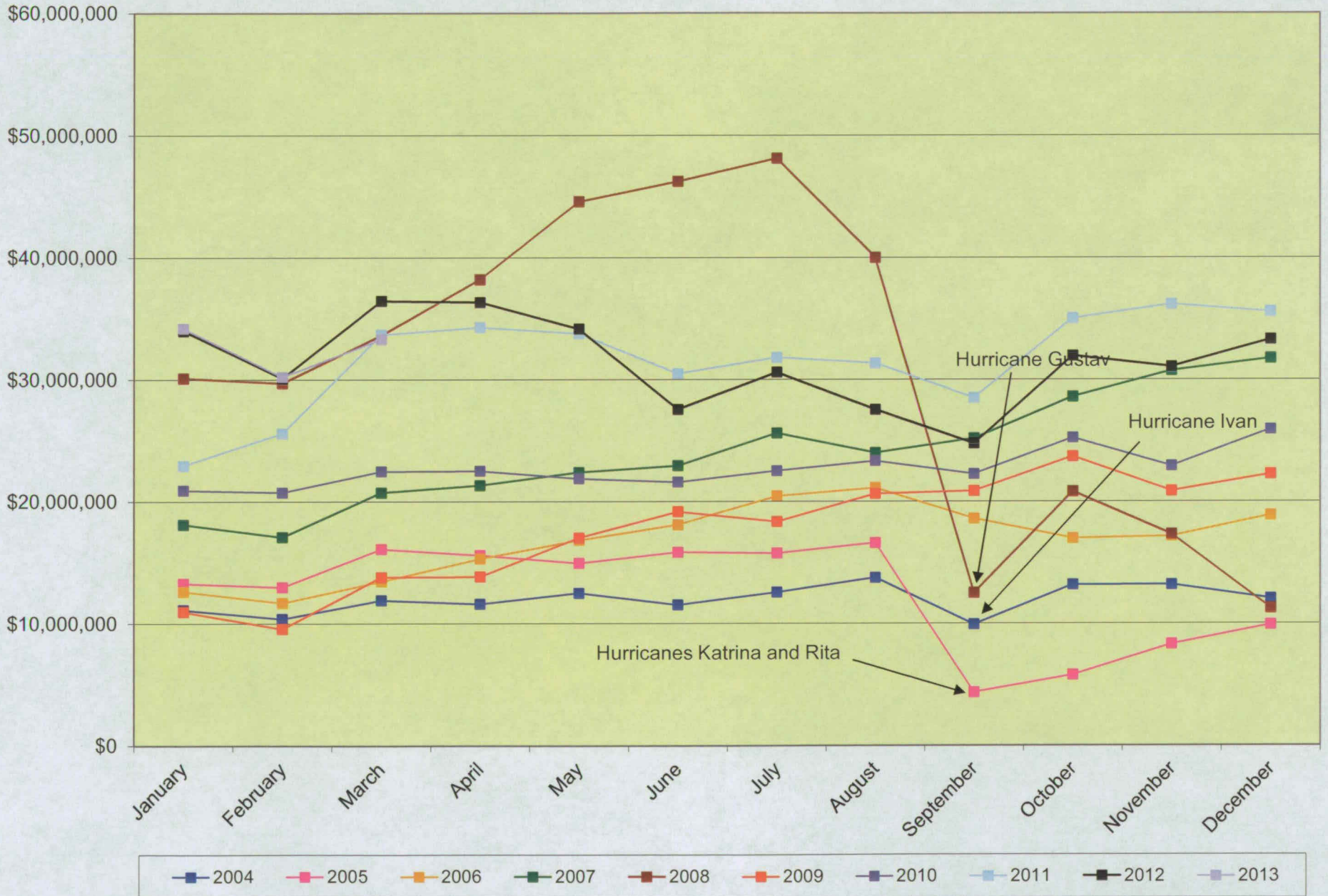
### Royalty Collections by Disposition Month



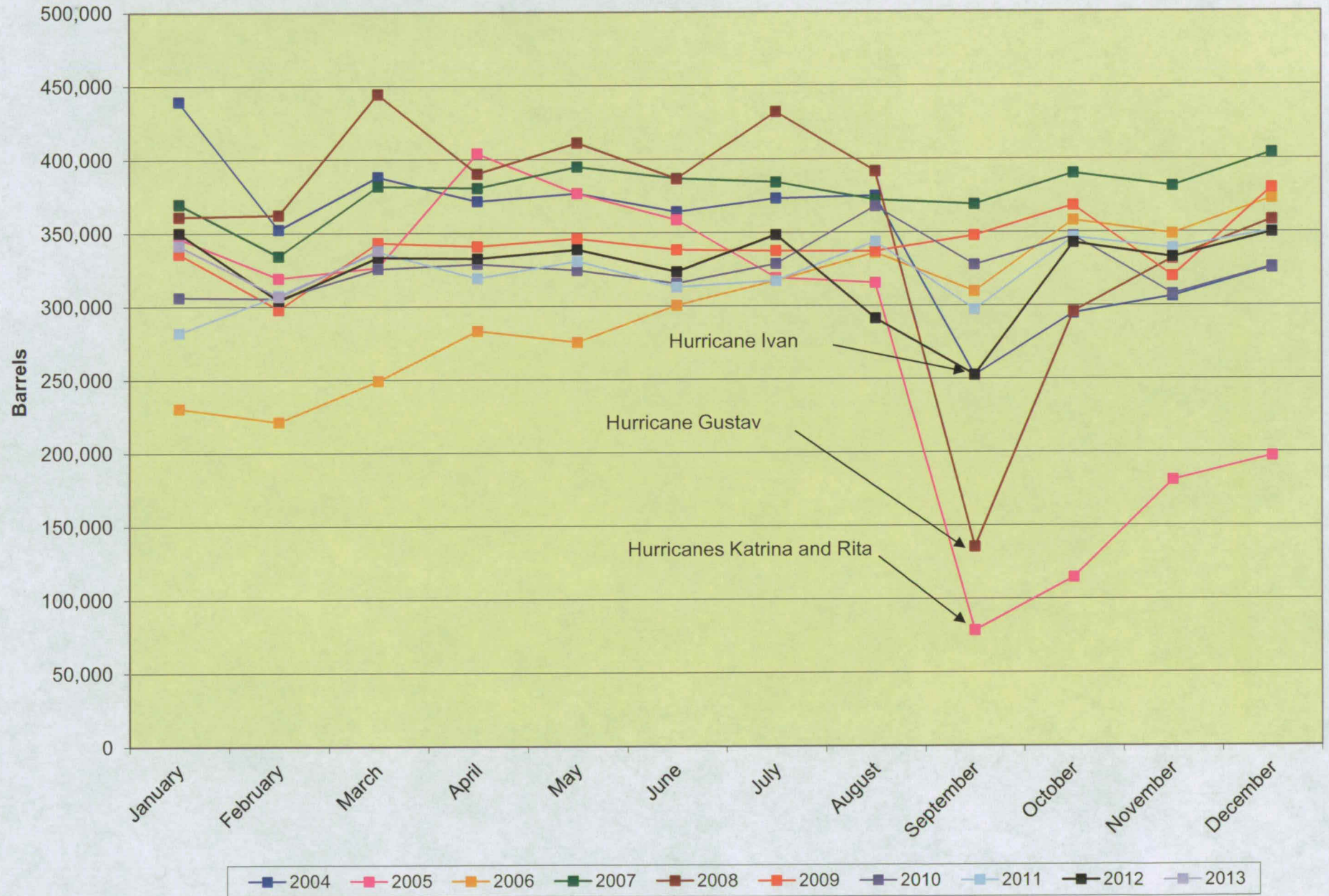
## Royalty Collections by Disposition Month

<u>Disposition Month</u>	<u>Oil</u>	<u>Gas</u>	<u>Plant Products</u>	<u>Total</u>
March 2012	36,441,541.75	8,323,438.91	2,298,123.57	47,063,104.23
April 2012	36,341,708.62	7,161,835.16	2,339,410.80	45,842,954.58
May 2012	34,149,058.36	8,026,165.41	1,979,866.66	44,155,090.43
June 2012	27,539,604.66	8,410,073.25	1,738,805.93	37,688,483.84
July 2012	30,589,302.10	10,536,723.41	1,707,022.48	42,833,047.99
August 2012	27,518,390.26	9,262,639.11	1,736,341.03	38,517,370.40
September 2012	24,736,627.58	9,230,172.40	1,618,726.63	35,585,526.61
October 2012	31,935,740.38	12,085,486.89	1,929,998.98	45,951,226.25
November 2012	31,048,203.47	13,495,775.61	2,283,398.81	46,827,377.89
December 2012	33,291,218.75	13,994,193.93	2,527,580.47	49,812,993.15
January 2013	34,212,388.13	12,082,508.49	2,311,601.40	48,606,498.02
February 2013	30,237,526.50	11,095,235.79	2,278,114.71	43,610,877.00
March 2013	33,330,778.29	13,931,032.01	2,157,161.05	49,418,971.35
<b>Total</b>	<b>\$ 411,372,088.85</b>	<b>\$ 137,635,280.37</b>	<b>\$ 26,906,152.52</b>	<b>\$ 575,913,521.74</b>
<b>% of Total</b>	<b>71%</b>	<b>24%</b>	<b>5%</b>	

### Oil Royalty by Disposition Month



### Oil Volume by Disposition Month

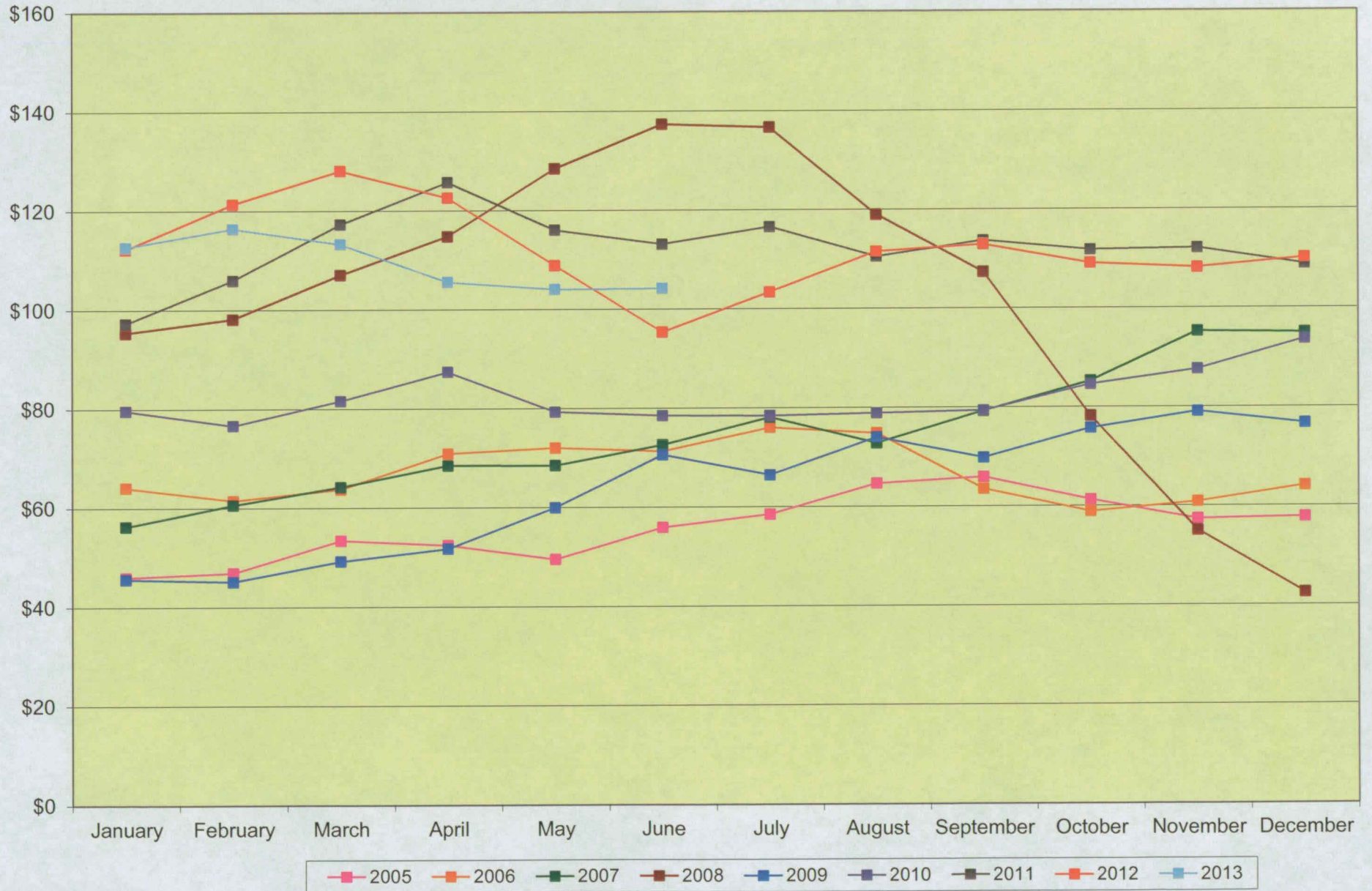


## Oil Volume by Disposition Month

<u>Disposition Month</u>	<u>Barrels</u>	<u>Disposition Month</u>	<u>Barrels</u>
January 2004	439,528 9609	January 2011	282,212 1654
February 2004	352,554 1807	February 2011	307,817 8375
March 2004	388,250.3056	March 2011	337,338 7224
April 2004	371,664 9497	April 2011	319,168 7245
May 2004	376,944 4191	May 2011	330,726 8037
June 2004	364,373 3908	June 2011	312,988 2233
July 2004	373,376 3670	July 2011	317,176.8861
August 2004	374,957 0454	August 2011	343,806 4061
September 2004	252,648 3494	September 2011	297,265 5422
October 2004	294,836 0875	October 2011	346,510.5409
November 2004	306,161 9020	November 2011	339,045 9919
December 2004	325,615.3498	December 2011	350,729 4957
January 2005	346,534.8170	January 2012	349,926 2571
February 2005	319,401.7647	February 2012	303,932 2632
March 2005	326,574 1954	March 2012	333,215.7236
April 2005	404,282 7275	April 2012	332,408 0061
May 2005	376,916 3110	May 2012	338,369 4896
June 2005	358,886.3852	June 2012	323,300 9958
July 2005	319,254 6372	July 2012	348,270 7855
August 2005	315,616 4399	August 2012	291,202 7446
September 2005	78,702 6983	September 2012	252,421.0924
October 2005	114,538 4508	October 2012	342,612.2441
November 2005	180,921 8969	November 2012	332,671.9112
December 2005	197,290.8761	December 2012	349,568 5806
January 2006	230,553 1412	January 2013	341,606.3295
February 2006	221,290 4591	February 2013	306,634 8245
March 2006	249,233 3520	March 2013	338,043 6812
April 2006	283,338 5046		
May 2006	275,598 7558		
June 2006	300,558 2834		
July 2006	317,273 1720		
August 2006	336,148 3010		
September 2006	309,714 7966		
October 2006	358,167 3469		
November 2006	348,876 4593		
December 2006	372,942 6979		
January 2007	369,686 7391		
February 2007	334,445 2821		
March 2007	381,894 4336		
April 2007	380,620 5660		
May 2007	394,922.1387		
June 2007	386,951 9410		
July 2007	384,343 3655		
August 2007	372,200 9844		
September 2007	369,099 6361		
October 2007	390,100 0705		
November 2007	381,339 3224		
December 2007	404,072 8738		
January 2008	361,179,5574		
February 2008	362,298.8717		
March 2008	444,589 5628		
April 2008	390,368 8131		
May 2008	411,263 3489		
June 2008	386,821.9964		
July 2008	432,048 8540		
August 2008	391,784 9250		
September 2008	135,416 9230		
October 2008	295,684 9290		
November 2008	331,775.5033		
December 2008	358,333 3403		
January 2009	335,999 2919		
February 2009	298,096 2274		
March 2009	343,406 4042		
April 2009	340,943.8155		
May 2009	346,131 2117		
June 2009	338,470 9348		
July 2009	337,663.9051		
August 2009	337,300 8264		
September 2009	347,860 5505		
October 2009	368,418 3255		
November 2009	319,930 8149		
December 2009	380,201.6561		
January 2010	306,300 8640		
February 2010	305,559 7350		
March 2010	325,682 0993		
April 2010	328,909.2602		
May 2010	324,468 0552		
June 2010	315,469 0889		
July 2010	328,796 3713		
August 2010	367,826 5144		
September 2010	327,859.2243		
October 2010	347,381.6756		
November 2010	307,706 3921		
December 2010	326,279.5066		

## Oil Prices

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



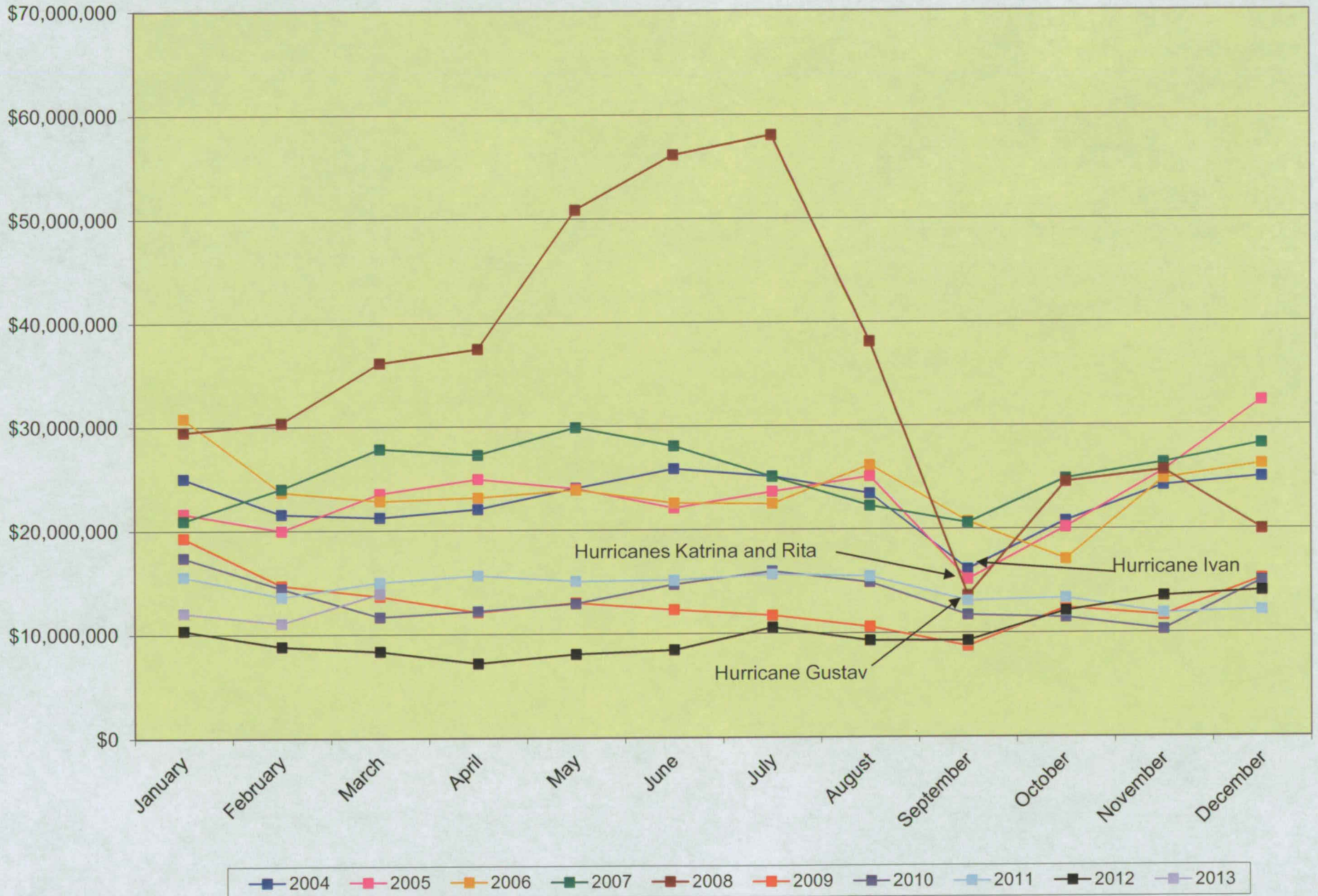
## Monthly Average Oil Prices

Jan-04	\$34.66	Jan-11	\$97.26
Feb-04	\$34.05	Feb-11	\$105.95
Mar-04	\$36.60	Mar-11	\$117.25
Apr-04	\$35.80	Apr-11	\$125.72
May-04	\$39.28	May-11	\$116.01
Jun-04	\$37.15	Jun-11	\$113.12
Jul-04	\$40.24	Jul-11	\$116.56
Aug-04	\$44.32	Aug-11	\$110.49
Sep-04	\$45.81	Sep-11	\$113.68
Oct-04	\$53.46	Oct-11	\$111.75
Nov-04	\$47.33	Nov-11	\$112.07
Dec-04	\$42.28	Dec-11	\$108.85
Jan-05	\$46.02	Jan-12	\$112.30
Feb-05	\$46.94	Feb-12	\$121.41
Mar-05	\$53.42	Mar-12	\$128.12
Apr-05	\$52.46	Apr-12	\$122.67
May-05	\$49.59	May-12	\$108.92
Jun-05	\$55.94	Jun-12	\$95.40
Jul-05	\$58.53	Jul-12	\$103.45
Aug-05	\$64.67	Aug-12	\$111.56
Sep-05	\$65.93	Sep-12	\$112.96
Oct-05	\$61.29	Oct-12	\$109.14
Nov-05	\$57.41	Nov-12	\$108.21
Dec-05	\$57.81	Dec-12	\$110.17
Jan-06	\$64.11	Jan-13	\$112.70
Feb-06	\$61.49	Feb-13	\$116.42
Mar-06	\$63.76	Mar-13	\$113.28
Apr-06	\$70.92	Apr-13	\$105.60
May-06	\$72.06	May-13	\$104.09
Jun-06	\$71.31	Jun-13	\$104.22
Jul-06	\$76.04		
Aug-06	\$74.85		
Sep-06	\$63.52		
Oct-06	\$58.93		
Nov-06	\$60.85		
Dec-06	\$64.12		
Jan-07	\$56.29		
Feb-07	\$61.27		
Mar-07	\$64.22		
Apr-07	\$68.51		
May-07	\$68.48		
Jun-07	\$72.60		
Jul-07	\$78.08		
Aug-07	\$72.81		
Sep-07	\$79.26		
Oct-07	\$85.27		
Nov-07	\$95.28		
Dec-07	\$95.04		
Jan-08	\$95.38		
Feb-08	\$98.17		
Mar-08	\$107.05		
Apr-08	\$114.80		
May-08	\$128.47		
Jun-08	\$137.37		
Jul-08	\$136.70		
Aug-08	\$119.00		
Sep-08	\$107.35		
Oct-08	\$79.86		
Nov-08	\$55.08		
Dec-08	\$42.51		
Jan-09	\$45.67		
Feb-09	\$45.18		
Mar-09	\$49.26		
Apr-09	\$51.75		
May-09	\$59.98		
Jun-09	\$70.59		
Jul-09	\$66.43		
Aug-09	\$74.01		
Sep-09	\$69.83		
Oct-09	\$75.74		
Nov-09	\$79.08		
Dec-09	\$76.71		
Jan-10	\$79.65		
Feb-10	\$76.64		
Mar-10	\$81.61		
Apr-10	\$87.44		
May-10	\$79.32		
Jun-10	\$78.50		
Jul-10	\$78.43		
Aug-10	\$78.88		
Sep-10	\$79.35		
Oct-10	\$84.60		
Nov-10	\$87.63		
Dec-10	\$93.74		

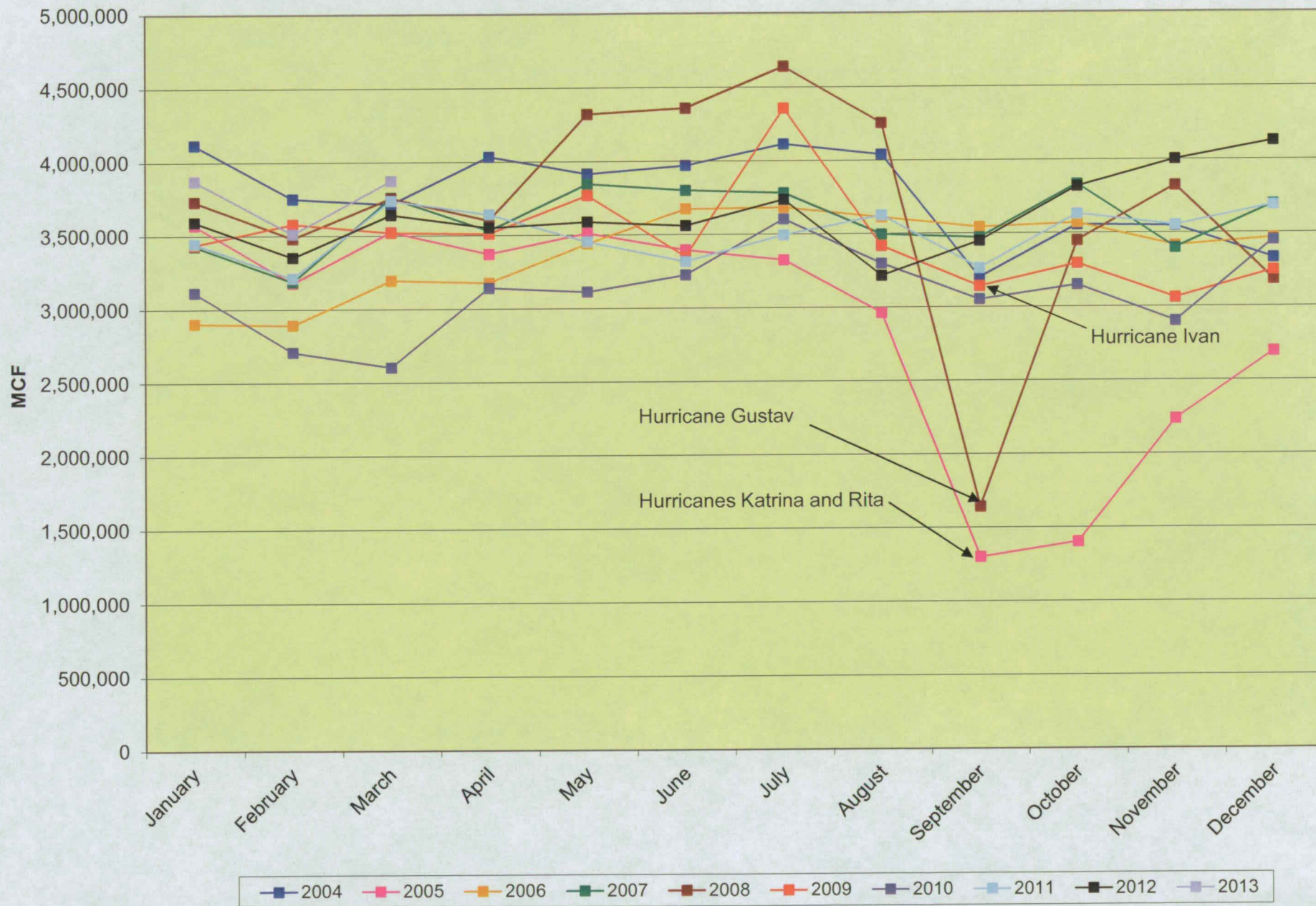
Source: Average of HLS Oil Spot @ Empire Plaq Parish \$/bbl and LLS Oil Spot @ St. James Terminal \$/bbl



### Gas Royalty by Disposition Month



Gas Volume by Disposition Month

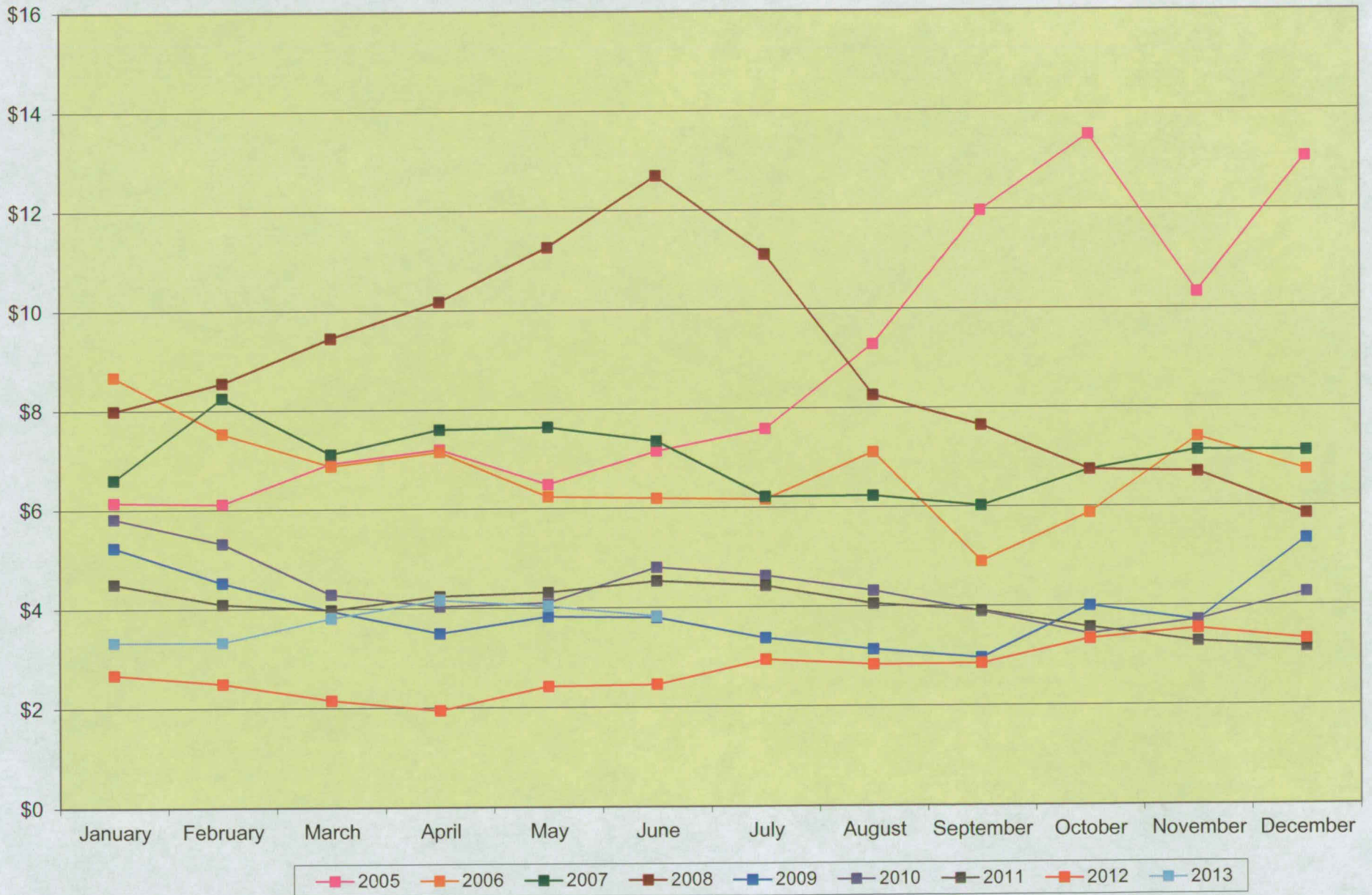


## Gas Volume by Disposition Month

<u>Disposition Month</u>	<u>MCF</u>	<u>Disposition Month</u>	<u>MCF</u>
January 2004	4,116,851 7031	January 2011	3,447,506 8513
February 2004	3,751,396.3749	February 2011	3,212,005.7152
March 2004	3,712,684 6945	March 2011	3,737,780 5373
April 2004	4,034,822.4874	April 2011	3,642,437 5096
May 2004	3,916,088 2692	May 2011	3,454,554 5323
June 2004	3,969,900 0143	June 2011	3,317,490.2622
July 2004	4,113,654 6443	July 2011	3,494,127.6612
August 2004	4,039,039 5326	August 2011	3,626,007 0628
September 2004	3,203,047 0172	September 2011	3,263,967 2285
October 2004	3,557,609 2440	October 2011	3,630,294 9789
November 2004	3,549,434 2038	November 2011	3,553,286 1079
December 2004	3,331,205 5308	December 2011	3,689,976.6956
January 2005	3,572,292.7624	January 2012	3,592,119 1488
February 2005	3,179,408 8827	February 2012	3,351,673 2561
March 2005	3,524,675.3742	March 2012	3,639,929 8587
April 2005	3,373,989 9785	April 2012	3,550,978 0658
May 2005	3,512,440 4707	May 2012	3,587,852.4095
June 2005	3,396,830 1710	June 2012	3,560,354 5683
July 2005	3,326,464 2787	July 2012	3,734,636 3560
August 2005	2,962,636 1525	August 2012	3,214,115 8221
September 2005	1,299,470 4761	September 2012	3,447,962 3434
October 2005	1,403,319 1284	October 2012	3,817,609 1854
November 2005	2,238,950.7428	November 2012	4,001,191 4286
December 2005	2,696,394.9614	December 2012	4,125,258 8771
January 2006	2,903,605 4539	January 2013	3,871,208 0235
February 2006	2,893,564 0591	February 2013	3,511,904 4455
March 2006	3,195,937.8564	March 2013	3,872,581.8400
April 2006	3,179,013.8634		
May 2006	3,441,908 5053		
June 2006	3,675,130 0272		
July 2006	3,681,560 8937		
August 2006	3,612,949 7915		
September 2006	3,543,892 0727		
October 2006	3,570,670 6822		
November 2006	3,416,427.3444		
December 2006	3,467,063 6852		
January 2007	3,431,417.7115		
February 2007	3,187,283 0760		
March 2007	3,758,706.9103		
April 2007	3,532,409 0063		
May 2007	3,847,360 6544		
June 2007	3,801,646 8530		
July 2007	3,781,746.6914		
August 2007	3,496,860 8815		
September 2007	3,473,362 6860		
October 2007	3,833,954 5812		
November 2007	3,398,892.1836		
December 2007	3,696,247 7050		
January 2008	3,730,716 5949		
February 2008	3,481,908.9951		
March 2008	3,754,457 7083		
April 2008	3,601,038 3554		
May 2008	4,320,099 2011		
June 2008	4,358,968 2793		
July 2008	4,639,414 5827		
August 2008	4,254,048 2048		
September 2008	1,642,121.1777		
October 2008	3,450,697.9705		
November 2008	3,823,545 4159		
December 2008	3,184,282.9858		
January 2009	3,438,444 2367		
February 2009	3,579,269 6435		
March 2009	3,520,944 6226		
April 2009	3,511,916 9513		
May 2009	3,769,963 5557		
June 2009	3,351,008 7082		
July 2009	4,357,713 6781		
August 2009	3,418,958.5701		
September 2009	3,143,287 5537		
October 2009	3,296,087 8226		
November 2009	3,062,273.5012		
December 2009	3,246,835.2152		
January 2010	3,115,336 8300		
February 2010	2,708,913 5766		
March 2010	2,605,553 9746		
April 2010	3,143,186.0512		
May 2010	3,114,394.3759		
June 2010	3,226,329 5154		
July 2010	3,602,823 9441		
August 2010	3,298,307 0757		
September 2010	3,052,148 9688		
October 2010	3,149,569 1241		
November 2010	2,902,177 7397		
December 2010	3,451,879 8276		

## Natural Gas Prices

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

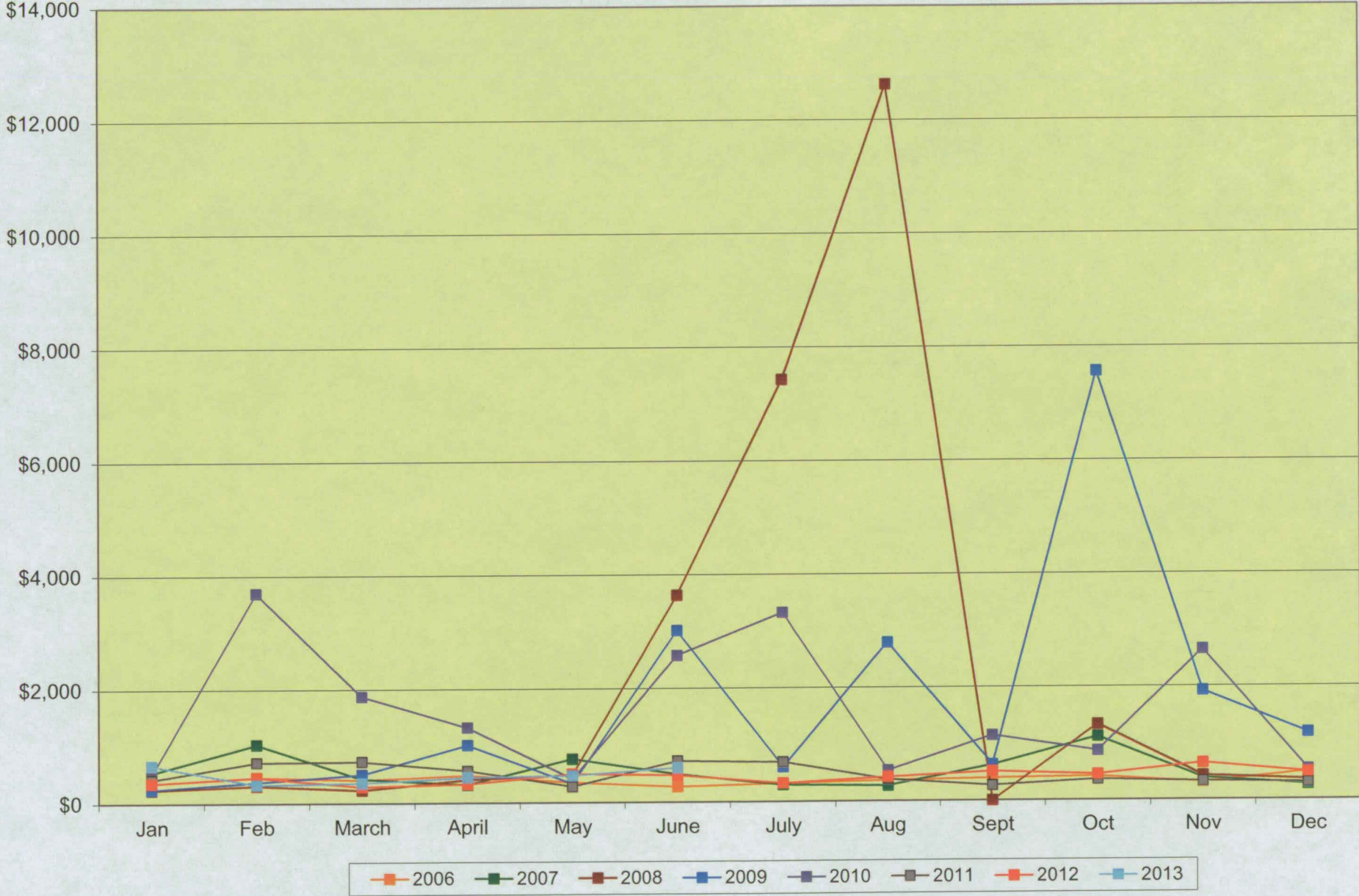


## Monthly Average Gas Prices

Jan-04	\$6.1581	Jan-11	\$4.5000
Feb-04	\$5.3982	Feb-11	\$4.0900
Mar-04	\$5.3784	Mar-11	\$3.9700
Apr-04	\$5.7004	Apr-11	\$4.2400
May-04	\$6.3000	May-11	\$4.3100
Jun-04	\$6.2916	Jun-11	\$4.5300
Jul-04	\$5.9325	Jul-11	\$4.4200
Aug-04	\$5.4506	Aug-11	\$4.0500
Sep-04	\$5.0832	Sep-11	\$3.9000
Oct-04	\$6.3392	Oct-11	\$3.5600
Nov-04	\$6.1481	Nov-11	\$3.2700
Dec-04	\$6.6166	Dec-11	\$3.1500
Jan-05	\$6.1431	Jan-12	\$2.6800
Feb-05	\$6.1124	Feb-12	\$2.5000
Mar-05	\$6.9229	Mar-12	\$2.1600
Apr-05	\$7.2004	Apr-12	\$1.9500
May-05	\$6.4880	May-12	\$2.4300
Jun-05	\$7.1507	Jun-12	\$2.4600
Jul-05	\$7.5910	Jul-12	\$2.9500
Aug-05	\$9.2947	Aug-12	\$2.8400
Sep-05	\$11.9823	Sep-12	\$2.8500
Oct-05	\$13.5015	Oct-12	\$3.3400
Nov-05	\$10.3271	Nov-12	\$3.5400
Dec-05	\$13.0519	Dec-12	\$3.3200
Jan-06	\$8.6780	Jan-13	\$3.3300
Feb-06	\$7.5332	Feb-13	\$3.3300
Mar-06	\$6.8700	Mar-13	\$3.8100
Apr-06	\$7.1500	Apr-13	\$4.1700
May-06	\$6.2400	May-13	\$4.0400
Jun-06	\$6.2000	Jun-13	\$3.8300
Jul-06	\$6.1700		
Aug-06	\$7.1100		
Sep-06	\$4.9000		
Oct-06	\$5.8700		
Nov-06	\$7.4000		
Dec-06	\$6.7300		
Jan-07	\$6.6000		
Feb-07	\$8.0100		
Mar-07	\$7.1100		
Apr-07	\$7.6100		
May-07	\$7.6400		
Jun-07	\$7.3500		
Jul-07	\$6.2200		
Aug-07	\$6.2300		
Sep-07	\$6.0200		
Oct-07	\$6.7400		
Nov-07	\$7.1300		
Dec-07	\$7.1100		
Jan-08	\$7.9900		
Feb-08	\$8.5500		
Mar-08	\$9.4500		
Apr-08	\$10.1800		
May-08	\$11.2700		
Jun-08	\$12.7000		
Jul-08	\$11.1100		
Aug-08	\$8.2600		
Sep-08	\$7.6400		
Oct-08	\$6.7400		
Nov-08	\$6.8900		
Dec-08	\$5.8400		
Jan-09	\$5.2400		
Feb-09	\$4.5300		
Mar-09	\$3.9600		
Apr-09	\$3.5000		
May-09	\$3.8300		
Jun-09	\$3.8000		
Jul-09	\$3.3800		
Aug-09	\$3.1400		
Sep-09	\$2.9600		
Oct-09	\$4.0000		
Nov-09	\$3.7000		
Dec-09	\$5.3400		
Jan-10	\$5.8200		
Feb-10	\$5.3200		
Mar-10	\$4.2900		
Apr-10	\$4.0400		
May-10	\$4.1100		
Jun-10	\$4.8100		
Jul-10	\$4.6300		
Aug-10	\$4.3200		
Sep-10	\$3.8900		
Oct-10	\$3.4300		
Nov-10	\$3.7100		
Dec-10	\$4.2600		

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

### Price Per Acre



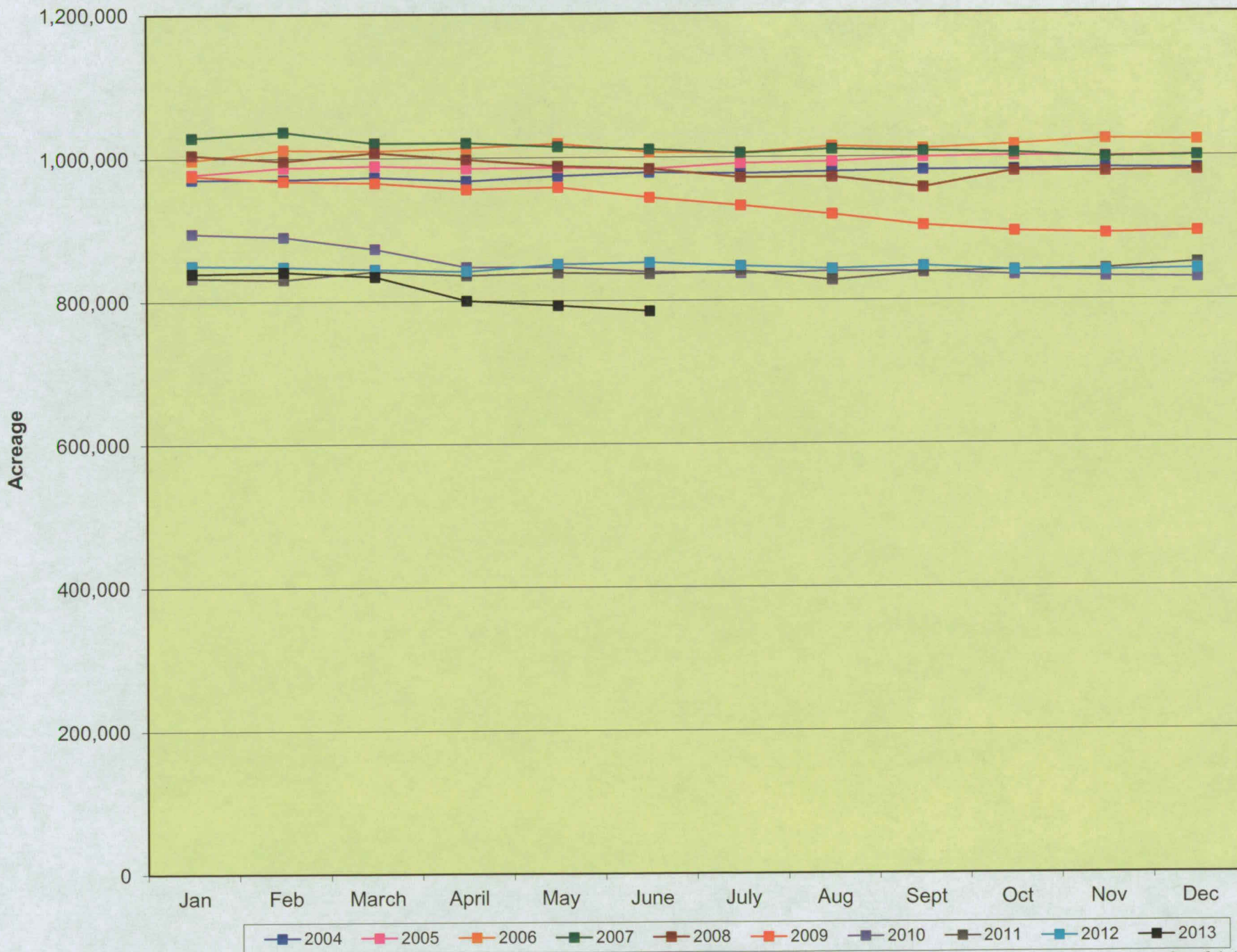
As of June 12, 2013 Lease Sale

Department of Natural Resources  
Office of Mineral Resources  
Lease Sale Statistics  
For Calendar Years 2006, 2007, 2008, 2009, 2010, 2011, 2012 and 2013

Month	No. of Tracts Nominated	No. of Acres Nominated	No. of Tracts with Bids	% of Nominated Tracts with Bids	No. of Leases Leased	No. of Acres Leased	Total Bonuses	Price Per Acre
January 2006	47	47,043 313	23	48.9%	26	4,329 743	\$1,537,320 39	\$355 06
February 2006	30	27,775 390	22	73.3%	21	4,893 650	\$2,259,041 24	\$461 63
March 2006	90	102,468 214	33	36.7%	35	11,677 774	\$4,813,881 28	\$412 23
April 2006	68	71,781 410	28	41.2%	30	6,467,852	\$3,141,523 23	\$485.71
May 2006	97	120,198,400	30	30.9%	31	16,817,780	\$6,025,369.95	\$358.27
June 2006	38	31,183 565	23	60.5%	21	3,267 685	\$890,923.62	\$272 65
July 2006	46	61,199 576	17	37.0%	19	4,912 022	\$1,590,293 21	\$323 76
August 2006	98	144,142 110	37	37.8%	47	11,769 250	\$4,274,006 81	\$363 15
September 2006	48	44,760 880	26	54.2%	23	5,029 740	\$2,004,961 50	\$398 62
October 2006	53	36,007 870	28	52.8%	28	4,383 700	\$1,846,724 83	\$421 27
November 2006	93	84,329 325	43	46.2%	38	16,457,630	\$5,058,312.37	\$307.35
December 2006	72	58,722,376	37	51.4%	42	4,490,056	\$2,214,236.41	\$493.14
January 2007	44	43,615,048	23	52.3%	22	8,504,439	\$4,569,069.37	\$537.26
February 2007	61	68,927,865	36	59.0%	39	10,701 885	\$11,078,923 37	\$1,035 23
March 2007	37	55,261 795	19	51.4%	23	5,996 295	\$2,567,201 33	\$428 13
April 2007	58	60,473 270	22	37.9%	24	10,087 120	\$3,250,525 86	\$322 25
May 2007	77	67,181 820	40	51.9%	44	6,303 810	\$4,844,311 64	\$768 47
June 2007	99	159,363 198	31	31.3%	31	8,098 128	\$4,008,594 40	\$495 00
July 2007	90	87,101 800	25	27.8%	27	8,524 270	\$2,529,957 38	\$296 79
August 2007	83	112,945 771	29	34.9%	28	10,786,901	\$2,892,575 29	\$268.16
September 2007	45	34,768,700	14	31.1%	14	3,083,300	1,936,243.01	\$627.98
October 2007	47	41,694 079	16	34.0%	18	5,381 189	\$6,035,465 69	\$1,121 59
November 2007	43	38,583 240	22	51.2%	19	3,024 469	\$1,171,854 94	\$387 46
December 2007	51	50,406,500	26	51.0%	24	9,097,200	\$2,413,328 16	\$265 28
January 2008	59	58,403,266	24	40.7%	19	5,503,936	\$1,304,223.48	\$236.96
February 2008	28	11,245,630	13	46.4%	13	1,407 700	\$433,826.75	\$308 18
March 2008	115	155,146,880	49	42.6%	42	17,154 460	\$3,959,010 21	\$230 79
April 2008	59	57,118 060	29	49.2%	24	3,471 292	\$1,409,967 24	\$406 18
May 2008	46	40,455 817	27	58.7%	20	4,675 363	\$2,287,897 78	\$489 35
June 2008	81	52,441 540	61	75.3%	38	9,852,020	\$35,829,909 81	\$3,636 81
July 2008	67	75,779 603	38	56.7%	29	6,568,763	\$48,806,966.78	\$7,430.16
August 2008	72	31,893 030	72	100.0%	51	7,432 760	\$93,831,700 03	\$12,624 07
September 2008	-	-	-	0.0%	-	-	\$0 00	-
October 2008	367	245,850 305	142	38.7%	128	32,685 321	\$43,559,940 38	\$1,332 71
November 2008	155	105,638 110	53	34.2%	41	8,925 374	\$3,757,649 92	\$421 01
December 2008	142	112,087 562	50	35.2%	29	4,268 826	\$1,501,254 23	\$351 68
January 2009	77	105,817 220	24	31.2%	18	3,594 670	\$880,837 75	\$245 04
February 2009	28	34,140,230	24	85.7%	16	1,612,750	\$604,287 82	\$374 69
March 2009	45	41,747,130	6	13.3%	6	2,681,870	\$1,356,772 99	\$505 91
April 2009	64	69,340 560	20	31.3%	9	760 070	\$773,943 34	\$1,018 25
May 2009	62	47,678,369	28	45.2%	30	11,306,490	\$3,758,375 82	\$332 41
June 2009	11	6,524,502	11	100.0%	11	477 502	\$1,441,487.29	\$3,018.81
July 2009	49	49,772,731	25	51.0%	25	5,308 001	\$3,236,428 98	\$609 73
August 2009	43	12,610 401	45	104.7%	31	2,621 833	\$7,324,454 38	\$2,793 64
September 2009	5	1,339 892	3	60.0%	3	47 092	\$29,932 00	\$635 61
October 2009	46	17,609 762	57	123.9%	29	1,604 742	\$12,131,040 07	\$7,559 50
November 2009	25	19,754 790	17	68.0%	13	1,382 026	\$2,654,065 89	\$1,920 42
December 2009	67	70,732 918	51	76.1%	40	8,016 328	\$9,445,466 55	\$1,178 28
January 2010	53	38,771 489	39	73.6%	31	8,109 459	\$4,099,665 49	\$505 54
February 2010	20	6,217 261	27	135.0%	13	1,704 241	\$6,303,884 98	\$3,698 94
March 2010	23	18,752 018	24	104.3%	16	2,570 538	\$4,826,740 56	\$1,877 72
April 2010	63	19,388 408	64	101.6%	48	2,614 421	\$3,471,860 47	\$1,327 97
May 2010	63	61,447 218	18	28.6%	17	4,380 874	\$1,820,157 40	\$415 48
June 2010	48	39,124 130	18	37.5%	20	2,353 460	\$6,072,056 39	\$2,580 06
July 2010	29	2,924 129	26	89.7%	25	1,380 710	\$4,596,455 32	\$3,329 05
August 2010	39	25,806 820	25	64.1%	26	6,898 420	\$3,716,759 96	\$538 78
September 2010	43	46,609,856	22	51.2%	21	977,875	1,121,923.86	\$1,147 31
October 2010	46	26,701,987	28	60.9%	29	3,103 947	2,705,881 52	\$871 76
November 2010	39	32,525 955	20	51.3%	19	2,485 560	6,592,803 57	\$2,652 44
December 2010	51	14,392,033	23	45.1%	23	5,399,484	2,864,916.74	\$530.59
January 2011	58	79,128 832	20	34.5%	23	5,334,780	2,216,371.68	\$415 46
February 2011	17	7,385,028	10	58.8%	11	844,000	604,518.90	\$716.25
March 2011	159	232,779 075	35	22.0%	32	15,882 487	11,572,567 17	\$728 64
April 2011	42	20,698 055	20	47.6%	21	4,149,700	2,332,301.70	\$562.04
May 2011	25	16,015 022	17	68.0%	17	9,996 870	2,774,369.68	\$277.52
June 2011	49	40,887 477	22	44.9%	27	3,392 785	2,446,928 15	\$721.22
July 2011	79	37,441 099	50	63.3%	55	6,124 417	4,237,220 83	\$691 86
August 2011	39	44,249 773	18	46.2%	18	1,759 762	667,147 07	\$379 11
September 2011	53	28,555 630	38	71.7%	38	11,410 090	2,978,732 25	\$261 06
October 2011	39	49,521 346	16	41.0%	17	7,561 406	2,715,376 54	\$359 11
November 2011	35	37,977 321	13	37.1%	15	4,355 961	1,391,869 22	\$319 53
December 2011	57	45,145 595	42	73.7%	30	15,680 325	4,625,707 69	\$295 00
January 2012	50	44,906 260	23	46.0%	24	5,717 660	2,034,845 28	\$355 89
February 2012	43	69,704 740	25	58.1%	36	7,371,520	3,360,494 79	\$455.88
March 2012	54	35,786 190	24	44.4%	27	3,501 420	1,015,037.74	\$289.89
April 2012	17	10,428 310	11	64.7%	12	2,526 780	834,086 54	\$330.10
May 2012	116	138,966 119	41	35.3%	43	14,627,000	7,401,140 76	\$505 99
June 2012	44	55,484,898	15	34.1%	16	6,193 611	2,940,680 39	\$474 79
July 2012	28	16,136 727	11	39.3%	12	1,534,907	498,136 34	\$324.54
August 2012	28	147,500,317	31	110.7%	51	11,558 657	4,907,849 44	\$424 60
September 2012	10	11,821,827	7	70.0%	4	656 147	337,567.00	\$514 47
October 2012	50	81,192 340	13	26.0%	12	2,989 470	1,360,942.60	\$455 25
November 2012	25	32,126 970	12	48.0%	20	2,809 620	1,821,788 69	\$648 41
December 2012	38	55,077,310	16	42.1%	19	4,067 150	1,963,075 50	\$482.67
January 2013	24	35,633 040	9	37.5%	12	1,764,120	1,170,803 83	\$687 46
February 2013	66	115,974 518	17	25.8%	18	2,316 108	756,594 75	\$326 67
March 2013	18	8,786 110	11	61.1%	11	785 600	279,549 61	\$355 84
April 2013	66	90,819 995	23	34.8%	22	4,476 530	2,011,205 43	\$449 28
May 2013	35	33,304 413	15	42.9%	15	1,246 793	592,552 07	\$475 26
June 2013	79	53,637 751	31	39.2%	32	4,350 001	2,626,342.27	\$603.76

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

### State Acreage Under Lease



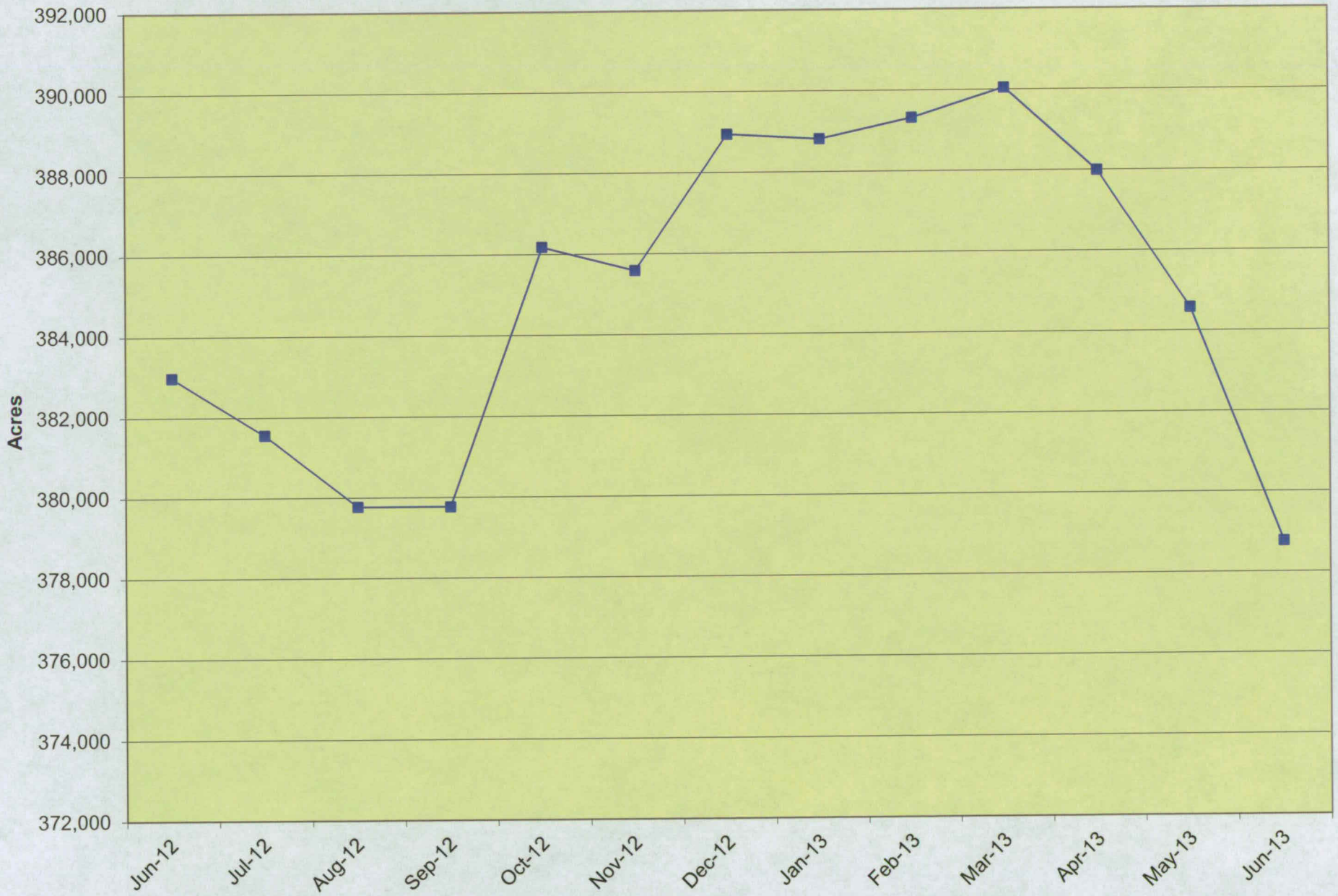
As of July 1, 2013



**State Acreage Under Lease**

<u>Month/Year</u>	<u>Acreage</u>	<u>Month/Year</u>	<u>Acreage</u>
January 2004	970,647	January 2011	832,686
February 2004	970,566	February 2011	830,312
March 2004	973,551	March 2011	841,244
April 2004	967,958	April 2011	835,606
May 2004	974,311	May 2011	838,805
June 2004	978,972	June 2011	837,030
July 2004	977,175	July 2011	840,695
August 2004	979,727	August 2011	827,487
September 2004	981,595	September 2011	838,284
October 2004	981,936	October 2011	841,468
November 2004	983,547	November 2011	842,874
December 2004	982,793	December 2011	850,934
January 2005	977,687	January 2012	850,672
February 2005	987,060	February 2012	848,663
March 2005	989,296	March 2012	844,908
April 2005	985,526	April 2012	841,755
May 2005	986,287	May 2012	851,404
June 2005	984,084	June 2012	853,371
July 2005	991,395	July 2012	848,353
August 2005	993,569	August 2012	843,802
September 2005	999,285	September 2012	847,588
October 2005	1,001,031	October 2012	841,248
November 2005	999,714	November 2012	840,722
December 2005	1,000,881	December 2012	842,195
January 2006	997,605	January 2013	838,989
February 2006	1,012,059	February 2013	840,990
March 2006	1,010,201	March 2013	834,173
April 2006	1,014,111	April 2013	800,284
May 2006	1,019,784	May 2013	793,150
June 2006	1,007,301	June 2013	785,111
July 2006	1,005,887		
August 2006	1,015,199		
September 2006	1,011,473		
October 2006	1,016,921		
November 2006	1,023,932		
December 2006	1,022,243		
January 2007	1,028,925		
February 2007	1,036,953		
March 2007	1,021,053		
April 2007	1,020,861		
May 2007	1,015,199		
June 2007	1,011,179		
July 2007	1,005,474		
August 2007	1,010,699		
September 2007	1,007,599		
October 2007	1,004,799		
November 2007	998,681		
December 2007	1,000,171		
January 2008	1,004,555		
February 2008	996,060		
March 2008	1,007,716		
April 2008	997,694		
May 2008	987,990		
June 2008	983,981		
July 2008	971,662		
August 2008	971,764		
September 2008	956,861		
October 2008	979,642		
November 2008	978,571		
December 2008	980,177		
January 2009	975,858		
February 2009	968,268		
March 2009	965,586		
April 2009	956,319		
May 2009	958,778		
June 2009	944,169		
July 2009	932,690		
August 2009	920,007		
September 2009	904,586		
October 2009	895,792		
November 2009	892,551		
December 2009	895,270		
January 2010	895,294		
February 2010	890,479		
March 2010	873,504		
April 2010	847,680		
May 2010	847,259		
June 2010	840,614		
July 2010	837,713		
August 2010	840,595		
September 2010	839,384		
October 2010	834,736		
November 2010	831,990		
December 2010	830,109		

### Productive Acres



## Productive Acres

<u>Month/Year</u>	<u>Acres</u>
June 2012	382,986
July 2012	381,559
August 2012	379,777
September 2012	379,775
October 2012	386,184
November 2012	385,590
December 2012	388,946
January 2013	388,817
February 2013	389,326
March 2013	390,049
April 2013	387,994
May 2013	384,576
June 2013	378,766