

MINUTES

STATE MINERAL AND ENERGY BOARD

REGULAR MEETING AND LEASE SALE

JANUARY 11, 2012

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on Wednesday, January 11, 2012, beginning at 11:05 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., acting as 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., Vice-Chairman
Thomas L. Arnold, Jr.
Emile B. Cordaro
John C. "Juba" Diez
Robert "Michael" Morton
Thomas W. Sanders
Darryl D. Smith
Helen G. Smith
Chip Kline (sitting in for Garret Graves, Governor Jindal's designee to the Board)

The following members of the Board were recorded as absent:

Scott A. Angelle, Chairman
Bay E. Ingram

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

Also recorded as present were:

Victor Vaughn, Geologist Administrator-Geological & Engineering Division, and
Executive Officer to the State Mineral and Energy Board
Stacey Talley, Deputy Assistant Secretary of the Office of Mineral Resources
Frederick Heck, Director-Petroleum Lands Division
Rachel Newman, Director-Mineral Income Division
Emile Fontenot, Assistant Director-Petroleum Lands Division
April Duhe, Attorney, OMR Executive Division
Isaac Jackson, DNR General Counsel
Jackson Logan, Assistant Attorney General

The Chairman then stated that the next order of business was the approval of the December 13, 2011 and December 14, 2011 Minutes. A motion was made by Ms. Smith to adopt the Minutes as submitted and to waive reading of same. Her motion was seconded by Mr. Smith and unanimously adopted by the Board. (No public comment was made at this time.)

The Chairman then stated that the next order of business would be the adoption of the Committee recommendations. Upon motion of Mr. Sanders, 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.

The Chairman then announced that the Board would recess its regular meeting at 11:07 a.m. and 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. Arnold, seconded by Mr. Sanders, 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. Sanders, seconded by Mr. Arnold, and unanimously adopted by the Board, the Board reconvened in open session at 11:20 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. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42431, said portion being 354.23 acres more particularly described in said bid and outlined on accompanying plat, to Cypress Energy Corporation.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on another portion of Tract 42431, said portion being 147.35 acres more particularly described in said bid and outlined on accompanying plat, to Cypress Energy Corporation.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42432 to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42440, said portion being 459.0 acres more particularly described in said bid and outlined on accompanying plat, to Delta Lands Exploration Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42442 to Midstates Petroleum Company LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42444 to Gulf Coast Energy Group, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42446 for improper bid. **(Note: An oral bid was submitted and subsequently awarded on this tract. Refer to the end of the awarding of the leases.)**

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42451, said portion being 303.0 acres more particularly described in said bid and outlined on accompanying plat, to Kare-Sue Energy, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42454 to Petrus Energy, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42455, said portion being 420.0 acres more particularly described in said bid and outlined on accompanying plat, to Kare-Sue Energy, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42456, said portion being 437.0 acres more particularly described in said bid and outlined on accompanying plat, to Kare-Sue Energy, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42460, said portion being 348.27 acres more particularly described in said bid and outlined on accompanying plat, to Century Exploration New Orleans, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42461, said portion being 703.47 acres more particularly described in said bid and outlined on accompanying plat, to Century Exploration New Orleans, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42462, said portion being 28.77 acres more particularly described in said bid and outlined on accompanying plat, to Cypress Energy Corporation.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on another portion of Tract 42462, said portion being 408.61 acres more particularly described in said bid and outlined on accompanying plat, to Century Exploration New Orleans, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42463, said portion being 368.2 acres more particularly described in said bid and outlined on accompanying plat, to Cypress Energy Corporation.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42464, said portion being 316.49 acres more particularly described in said bid and outlined on accompanying plat, to Westgrove Energy Holdings, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42468, said portion being 182.8 acres more particularly described in said bid and outlined on accompanying plat, to Cypress Energy Corporation.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 42469, said portion being 705.63 acres more particularly described in said bid and outlined on accompanying plat, to Cypress Energy Corporation.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42472 to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42473 to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42474 to QEP Energy Company.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42475 to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 42476 to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to reject the bid on Tract 42477 for insufficient consideration and to re-advertise with minimums.

At this time, the Chairman entertained a motion to extend the agenda to include oral bidding from the floor regarding Tract No. 42446 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.)

Mr. Paul Hebert representing Shoreline Southeast LLC came forward and offered the following:

Tract 42446

Bidder	:	Shoreline Southeast LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$1,734.00
Price per acre	:	\$578.00
Annual Rental	:	\$867.00 or half the cash bonus
Royalties	:	28% on oil and gas
	:	28% on other minerals
Additional Consideration		Shoreline Southeast LLC has applied to the Louisiana Office of Conservation for the creation of the HBY RG SUA Unit, Indian Village Field. A portion of Tract No. 42446 lies within this unit. Shoreline has acquired leases covering a 100% mineral interest in all other unit tracts. As additional consideration for this lease, Shoreline Southeast LLC hereby obligates itself to, within the first year of the primary term, spud a well within said unit in a good faith attempt to establish production from the Hackberry Zone, Reservoir G, or in the alternative, to pay the State the sum of \$20,000.00 as liquidated damages.

There being no other bidders on this tract, upon motion of Mr. Arnold, seconded by Ms. Smith, and based on staff's recommendation, the Board voted unanimously to award a lease on Tract 42446 to Shoreline Southeast LLC. (No public comment was made at this time.)

This concluded the awarding of the leases.

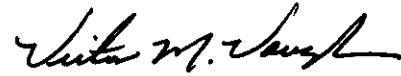
At this time, the Chairman stated that the quarterly Mineral Revenue and Production Report was being provided to the members for their information and review. **(The report is hereby attached and made a part of the Minutes by reference.)**

The following announcements were then made:

Ms. Talley stated that "the results of today's Lease Sale in total bonuses were \$2,034,845.28 which brought the fiscal year-to-date total to approximately \$18.65 million dollars.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Victor M. Vaughn". The signature is fluid and cursive, with a prominent initial "V".

Victor M. Vaughn
Executive Officer
State Mineral and Energy Board

**THE FOLLOWING BID OPENING MEETING REPORT,
COMMITTEE REPORTS, RESOLUTIONS AND
MINERAL REVENUE AND PRODUCTION REPORT
WERE MADE A PART OF THE JANUARY 11, 2012 MINUTES
BY REFERENCE**

A public meeting for the purpose of opening sealed bids was held on Wednesday, January 11, 2012, beginning at 8:30 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

Thomas L. Arnold, Jr., Mineral and Energy Board member

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

Frederick Heck, Director-Petroleum Lands Division

Rachel Newman, Director-Mineral Income Division

Emile Fontenot, Assistant Director-Petroleum Lands Division

April Duhe, Attorney, OMR Executive Division

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:

January 11, 2012

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. 42428 through 42477, 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)

Frederick D. Heck

Director

Petroleum Lands Division

Mr. Vaughn then stated that there were nine (9) letters of protest received and had been examined by legal counsel for the Board who advised that the Board was in a position to consider bids and award a lease on the protested tracts if so desired. Mr. Vaughn stated that the letters of protest were as follows:

1. Salt Domes, Partnership, dated December 6, 2011, involving Tract No. 42449.
2. Salt Domes, Partnership, dated December 6, 2011, involving Tract No. 42450.
3. Williams, Inc., dated December 6, 2011, involving Tract No. 42452.
4. Williams Land Company, L.L.C., dated December 6, 2011, involving Tract No. 42452.
5. Williams, Inc., dated December 6, 2011, involving Tract No. 42453.
6. Williams Land Company, L.L.C., dated December 6, 2011, involving Tract No. 42453.
7. Williams, Inc., dated December 6, 2011, involving Tract No. 42454.
8. Williams Land Company, L.L.C., dated December 6, 2011, involving Tract No. 42454.
9. Miami Corporation, dated December 15, 2011, involving Tract No. 42456.

The Letters of Protest are hereby attached and made a part of the Minutes by reference.

For the record, Mr. Vaughn stated that there were no tracts to be withdrawn from today's Lease Sale.

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

OFFSHORE TRACTS

Tract 42428

No Bids

Tract 42429

No Bids

Tract 42430

No Bids

Tract 42431
(Portion – 354.23 acres)

Bidder	:	Cypress Energy Corporation
Primary Term	:	Five (5) years
Cash Payment	:	\$97,413.25
Annual Rental	:	\$48,706.63
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42431
(Portion – 147.35 acres)

Bidder	:	Cypress Energy Corporation
Primary Term	:	Five (5) years
Cash Payment	:	\$40,521.25
Annual Rental	:	\$20,260.63
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

INLAND TRACTS

Tract 42432

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$19,500.00
Annual Rental	:	\$19,500.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42433

No Bids

Tract 42434

No Bids

Tract 42435

No Bids

January 11, 2012

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Tract 42436

No Bids

Tract 42437

No Bids

Tract 42438

No Bids

Tract 42439

No Bids

Tract 42440
(Portion – 459.0 acres)

Bidder	:	Delta Lands Exploration Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$91,800.00
Annual Rental	:	\$100.00 Per Acre \$45,900.00 Total
Royalties	:	25.5% on oil and gas
	:	25.5% on other minerals
Additional Consideration	:	None

Tract 42440
(Portion – 459.0 acres)

Bidder	:	Janus Gulf Coast Exploration, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$116,127.00
Annual Rental	:	\$58,063.50
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42441

No Bids

Tract 42442

Bidder	:	Midstates Petroleum Company LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$22,000.00
Annual Rental	:	\$11,000.00
Royalties	:	23.50% on oil and gas
	:	23.50% on other minerals
Additional Consideration	:	None

Tract 42443

No Bids

Tract 42444

Bidder	:	Gulf Coast Energy Group, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$7,650.00
Annual Rental	:	\$7,650.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42445

No Bids

Tract 42446

Bidder	:	Shoreline Southeast LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$1,734.00
Annual Rental	:	\$289.00
Royalties	:	28% on oil and gas
	:	28% on other minerals
Additional Consideration	:	Shoreline Southeast LLC has applied to the Louisiana Office of Conservation for the creation of the HBY RG SUA Unit, Indian Village Field. A portion of Tract No. 42446 lies within this unit. Shoreline has acquired leases covering a 100% mineral interest in all other unit tracts. As additional consideration for this lease, Shoreline Southeast LLC hereby obligates itself to, within the first year of the primary term, spud a well within said unit in a good faith attempt to establish production from the Hackberry Zone, Reservoir G, or

in the alternative, to pay the State the sum of \$20,000.00 as liquidated damages.

Tract 42447

No Bids

Tract 42448

No Bids

Tract 42449

No Bids

Tract 42450

No Bids

Tract 42451
(Portion – 303.0 acres)

Bidder	:	Kare-Sue Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$109,383.00
Annual Rental	:	\$54,691.50
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42452

No Bids

Tract 42453

No Bids

Tract 42454

Bidder	:	Petrus Energy, LLC
Primary Term	:	Three (3)) years
Cash Payment	:	\$4,016.00
Annual Rental	:	\$2,008.00
Royalties	:	21.00% on oil and gas
	:	21.00% on other minerals
Additional Consideration	:	None

Tract 42455
(Portion – 420.0 acres)

Bidder	:	Kare-Sue Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$151,620.00
Annual Rental	:	\$75,810.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42456
(Portion – 437.0 acres)

Bidder	:	Kare-Sue Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$157,757.00
Annual Rental	:	\$78,878.50
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42457

No Bids

Tract 42458

No Bids

Tract 42459

No Bids

Tract 42460
(Portion – 348.27 acres)

Bidder	:	Century Exploration New Orleans, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$139,308.00
Annual Rental	:	\$69,654.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42461
(Portion – 703.47 acres)

Bidder	:	Century Exploration New Orleans, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$281,388.00
Annual Rental	:	\$140,694.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42462
(Portion – 28.77 acres)

Bidder	:	Cypress Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$7,911.75
Annual Rental	:	\$3,955.88
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42462
(Portion – 408.61 acres)

Bidder	:	Century Exploration New Orleans, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$163,444.00
Annual Rental	:	\$81,722.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42463
(Portion – 368.20 acres)

Bidder	:	Cypress Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$101,255.00
Annual Rental	:	\$50,627.50
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42464
(Portion – 316.49 acres)

Bidder	:	Westgrove Energy Holdings, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$81,337.93
Annual Rental	:	\$40,668.97
Royalties	:	21.50% on oil and gas
	:	21.50% on other minerals
Additional Consideration	:	None

Tract 42465

No Bids

Tract 42466

No Bids

Tract 42467

No Bids

Tract 42468
(Portion – 182.80 acres)

Bidder	:	Cypress Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$50,270.00
Annual Rental	:	\$25,135.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42469
(Portion – 705.63 acres)

Bidder	:	Cypress Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$194,048.25
Annual Rental	:	\$97,024.13
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42470

No Bids

Tract 42471

No Bids

STATE AGENCY TRACTS

Tract 42472

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$8,008.85
Annual Rental	:	\$4,004.43
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42473

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$12,400.00
Annual Rental	:	\$6,200.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 42474

Bidder	:	QEP Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$102,024.00
Annual Rental	:	\$51,012.00
Royalties	:	1/4th on oil and gas
	:	1/4th on other minerals
Additional Consideration	:	None

Tract 42475

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$165,255.00
Annual Rental	:	\$165,255.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

TAX ADJUDICATED LANDS TRACTS

Tract 42476

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$24,800.00
Annual Rental	:	\$12,400.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

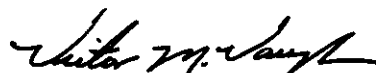
Tract 42477

Bidder	:	Mustang Exploration, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$8,000.00
Annual Rental	:	\$100.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

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

Respectfully submitted,



Victor M. Vaughn
Executive Officer
State Mineral and Energy Board

Salt Domes, Partnership

Phone (337) 369-3649
31 Oak Place
New Iberia, Louisiana 70563

Phone (985) 395-9576
107 McGee Drive
P.O. Box 7
Patterson, Louisiana 70392

December 6, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Office of Mineral Resources
State Land and Natural Resources Building
Post Office Box 2827
Baton Rouge, Louisiana 70821

RE: Proposed State Lease Sale on Tract 42449
St. Martin Parish, Louisiana

Gentlemen:

We have received notice of a proposed mineral lease sale for January 11, 2012, relating to the captioned tract, which sale will include "all of the lands now or formerly constituting the beds and bottoms of all waterbodies of every nature and description, and all islands and other lands formed by accretion or reliction".

Salt Domes Partnership is a private landowner with lands in Section 36, T8S-R7E, St. Martin Parish, included within the proposed Tract 42449. There are no State-owned lands, or lands now or formerly constituting the beds or bottoms of waterbodies located on or within the lands of Salt Domes Partnership located within proposed Tract 42449. Additionally, portions of Salt Domes Partnership lands located within Tract 42449 are located adjacent to the beds of streams from which accretion has attached to the adjacent lands. As a matter of Louisiana law, the accretion is owned by the adjacent private landowner. To the extent that the notice for Tract 42449 purports to state a land ownership claim by the State of Louisiana to our fee lands in Section 36, T8S-R7E and/or any accretion or reliction attached thereto, Salt Domes Partnership objects to and opposes the proposed lease.

I will be available to review and discuss this matter with representatives of the State Mineral Board, or the proposed Lessee.

Very truly yours,

SALT DOMES PARTNERSHIP



Rudy C. Sparks
Manager

RCS/dh

Cc: Henry Dauterive

RECEIVED
OFFICE OF
MINERAL RESOURCES
STATE MINERAL BOARD
2011 DEC -9 PM 1:14

Salt Domes, Partnership

Phone (337) 369-3649
31 Oak Place
New Iberia, Louisiana 70563

Phone (985) 395-9576
107 McGee Drive
P.O. Box 7
Patterson, Louisiana 70392

December 6, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Office of Mineral Resources
State Land and Natural Resources Building
Post Office Box 2827
Baton Rouge, Louisiana 70821

RE: Proposed State Lease Sale on Tract 42450
St. Martin Parish, Louisiana

Gentlemen:

We have received notice of a proposed mineral lease sale for January 11, 2012, relating to the captioned tract, which sale will include "all of the lands now or formerly constituting the beds and bottoms of all waterbodies of every nature and description, and all islands and other lands formed by accretion or reliction".

Salt Domes Partnership is a private landowner with lands in Lots 3 and 4, Section 7, T9S-R8E, St. Martin Parish, included within the proposed Tract 42450. There are no State-owned lands, or lands now or formerly constituting the beds or bottoms of waterbodies located on or within the lands of Salt Domes Partnership located within proposed Tract 42450. Additionally, portions of Salt Domes Partnership lands located within Tract 42450 are located adjacent to the beds of streams from which accretion has attached to the adjacent lands. As a matter of Louisiana law, the accretion is owned by the adjacent private landowner. To the extent that the notice for Tract 42450 purports to state a land ownership claim by the State of Louisiana to our fee lands in Lots 3 and 4, Section 7, T9S-R8E and/or any accretion or reliction attached thereto, Salt Domes Partnership objects to and opposes the proposed lease.

I will be available to review and discuss this matter with representatives of the State Mineral Board, or the proposed Lessee.

Very truly yours,

SALT DOMES PARTNERSHIP



Rudy C. Sparks
Manager

RCS/dh

Cc: Henry Dauterive

RECEIVED
OFFICE OF
MINERAL RESOURCES
STATE MINERAL BOARD
2011 DEC -9 PM 1:14

Williams, Inc.
Land Office
107 McGee Drive
P. O. Box 460
Patterson, La. 70392

December 6, 2011

Telephone
(985) 895-9576
Telecopier
(985) 895-9578

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Office of Mineral Resources
State Land and Natural Resources Building
Post Office Box 2827
Baton Rouge, Louisiana 70821

RE: Proposed State Lease Sale on Tract 42452
St. Martin Parish, Louisiana

Gentlemen:

We have received notice of a proposed mineral lease sale for January 11, 2012, relating to the captioned tract, which sale will include "all of the lands now or formerly constituting the beds and bottoms of all waterbodies of every nature and description, and all islands and other lands formed by accretion or reliction".

Williams, Inc. is a private landowner with lands in Section 28, T14S-R11E, St. Martin Parish, included within the proposed Tract 42452. There are no State-owned lands, or lands now or formerly constituting the beds or bottoms of waterbodies located on or within the lands of Williams, Inc. located within proposed Tract 42452. Additionally, portions of Williams, Inc. lands located within Tract 42452 are located adjacent to the beds of streams from which accretion has attached to the adjacent lands. As a matter of Louisiana law, the accretion is owned by the adjacent private landowner. To the extent that the notice for Tract 42452 purports to state a land ownership claim by the State of Louisiana to our fee lands in Section 28, T14S-R11E and/or any accretion or reliction attached thereto, Williams, Inc. objects to and opposes the proposed lease.

I will be available to review and discuss this matter with representatives of the State Mineral Board or the proposed Lessee.

Very truly yours,

WILLIAMS, INC.



Rudy C. Sparks
Vice President

RECEIVED
OFFICE OF
MINERAL RESOURCES
STATE MINERAL BOARD
2011 DEC -9 PM 1:13

RCS/dh

cc: New Orleans office

WILLIAMS LAND COMPANY, L.L.C.

P. O. Box 460
Patterson, LA 70392

December 6, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Office of Mineral Resources
State Land and Natural Resources Building
Post Office Box 2827
Baton Rouge, Louisiana 70821

RE: Proposed State Lease Sale on Tract 42452
St. Martin Parish, Louisiana

Gentlemen:

We have received notice of a proposed lease sale for January 11, 2012, relating to the captioned tract, which sale will include "all of the lands now or formerly constituting the beds and bottoms of all waterbodies of every nature and description, and all islands and other lands formed by accretion or reliction".

Williams Land Company, L.L.C. owns the minerals in certain lands in Section 28, T14S-R11E, St. Martin Parish, included within the proposed Tract 42452. There are no State-owned lands, or lands now or formerly constituting the beds or bottoms of waterbodies located on or within the lands in which Williams Land Company, L.L.C. owns the minerals located within proposed Tract 42452. Additionally, portions of the lands in which Williams Land Company, L.L.C. owns the minerals that lie within Tract 42452 are located adjacent to the beds of streams from which accretion has attached to the adjacent lands. As a matter of Louisiana law, the accretion is owned by the adjacent private landowner. To the extent that the notice for Tract 42452 purports to state a land ownership claim by the State of Louisiana affecting Williams Land Company, L.L.C.'s mineral interest in the properties in Section 28, T14S-R11E and/or any accretion or reliction attached thereto, Williams Land Company, L.L.C. objects to and opposes the proposed lease.

I will be available to review and discuss this matter with representatives of the State Mineral Board, or the proposed Lessee.

Very truly yours,

WILLIAMS LAND COMPANY, L.L.C.



Rudy C. Sparks
Vice President

RECEIVED
OFFICE OF
MINERAL RESOURCES
STATE MINERAL BOARD
2011 DEC -9 PM 1:13

RCS/dh

cc: New Orleans office

Williams, Inc.
Land Office
107 McGee Drive
P. O. Box 160
Patterson, La. 70392
December 6, 2011

Telephone
(985) 895-9576
Telecopier
(985) 895-9578

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Office of Mineral Resources
State Land and Natural Resources Building
Post Office Box 2827
Baton Rouge, Louisiana 70821

RE: Proposed State Lease Sale on Tract 42453
St. Martin Parish, Louisiana

Gentlemen:

We have received notice of a proposed mineral lease sale for January 11, 2012, relating to the captioned tract, which sale will include "all of the lands now or formerly constituting the beds and bottoms of all waterbodies of every nature and description, and all islands and other lands formed by accretion or reliction".

Williams, Inc. is a private landowner with lands in Section 28, T14S-R11E, St. Martin Parish, included within the proposed Tract 42453. There are no State-owned lands, or lands now or formerly constituting the beds or bottoms of waterbodies located on or within the lands of Williams, Inc. located within proposed Tract 42453. Additionally, portions of Williams, Inc. lands located within Tract 42453 are located adjacent to the beds of streams from which accretion has attached to the adjacent lands. As a matter of Louisiana law, the accretion is owned by the adjacent private landowner. To the extent that the notice for Tract 42453 purports to state a land ownership claim by the State of Louisiana to our fee lands in Section 28, T14S-R11E and/or any accretion or reliction attached thereto, Williams, Inc. objects to and opposes the proposed lease.

I will be available to review and discuss this matter with representatives of the State Mineral Board or the proposed Lessee.

Very truly yours,

WILLIAMS, INC.



Rudy C. Sparks
Vice President

RCS/dh

cc: New Orleans office

RECEIVED
OFFICE OF
MINERAL RESOURCES
STATE MINERAL BOARD
2011 DEC -9 PM 1:13

WILLIAMS LAND COMPANY, L.L.C.

P. O. Box 460
Patterson, LA 70392

December 6, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Office of Mineral Resources
State Land and Natural Resources Building
Post Office Box 2827
Baton Rouge, Louisiana 70821

RE: Proposed State Lease Sale on Tract 42453
St. Martin Parish, Louisiana

Gentlemen:

We have received notice of a proposed lease sale for January 11, 2012, relating to the captioned tract, which sale will include "all of the lands now or formerly constituting the beds and bottoms of all waterbodies of every nature and description, and all islands and other lands formed by accretion or reliction".

Williams Land Company, L.L.C. owns the minerals in certain lands in Section 28, T14S-R11E, St. Martin Parish, included within the proposed Tract 42453. There are no State-owned lands, or lands now or formerly constituting the beds or bottoms of waterbodies located on or within the lands in which Williams Land Company, L.L.C. owns the minerals located within proposed Tract 42453. Additionally, portions of the lands in which Williams Land Company, L.L.C. owns the minerals that lie within Tract 42453 are located adjacent to the beds of streams from which accretion has attached to the adjacent lands. As a matter of Louisiana law, the accretion is owned by the adjacent private landowner. To the extent that the notice for Tract 42453 purports to state a land ownership claim by the State of Louisiana affecting Williams Land Company, L.L.C.'s mineral interest in the properties in Section 28, T14S-R11E and/or any accretion or reliction attached thereto, Williams Land Company, L.L.C. objects to and opposes the proposed lease.

I will be available to review and discuss this matter with representatives of the State Mineral Board, or the proposed Lessee.

Very truly yours,

WILLIAMS LAND COMPANY, L.L.C.



Rudy C. Sparks
Vice President

RCS/dh

cc: New Orleans office

RECEIVED
OFFICE OF
MINERAL RESOURCES
STATE MINERAL BOARD
2011 DEC -9 PM 1:13

Williams, Inc.
Land Office
107 McGee Drive
P. O. Box 460
Latterson, La. 70892
December 6, 2011

Telephone
(985) 895-9576
Telecopier
(985) 895-9578

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Office of Mineral Resources
State Land and Natural Resources Building
Post Office Box 2827
Baton Rouge, Louisiana 70821

RE: Proposed State Lease Sale on Tract 42454
St. Martin Parish, Louisiana

Gentlemen:

We have received notice of a proposed mineral lease sale for January 11, 2012, relating to the captioned tract, which sale will include "all of the lands now or formerly constituting the beds and bottoms of all waterbodies of every nature and description, and all islands and other lands formed by accretion or reliction".

Williams, Inc. is a private landowner with lands in Sections 28 & 33, T14S-R11E, St. Martin Parish, included within the proposed Tract 42454. There are no State-owned lands, or lands now or formerly constituting the beds or bottoms of waterbodies located on or within the lands of Williams, Inc. located within proposed Tract 42454. Additionally, portions of Williams, Inc. lands located within Tract 42454 are located adjacent to the beds of streams from which accretion has attached to the adjacent lands. As a matter of Louisiana law, the accretion is owned by the adjacent private landowner. To the extent that the notice for Tract 42454 purports to state a land ownership claim by the State of Louisiana to our fee lands in Sections 28 & 33, T14S-R11E and/or any accretion or reliction attached thereto, Williams, Inc. objects to and opposes the proposed lease.

I will be available to review and discuss this matter with representatives of the State Mineral Board or the proposed Lessee.

Very truly yours,

WILLIAMS, INC.



Rudy C. Sparks
Vice President

RCS/dh

cc: New Orleans office

RECEIVED
OFFICE OF
MINERAL RESOURCES
STATE MINERAL BOARD
2011 DEC -9 PM 1:12

WILLIAMS LAND COMPANY, L.L.C.

P. O. Box 460
Patterson, LA 70392

December 6, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Office of Mineral Resources
State Land and Natural Resources Building
Post Office Box 2827
Baton Rouge, Louisiana 70821

RE: Proposed State Lease Sale on Tract 42454
St. Martin Parish, Louisiana

Gentlemen:

We have received notice of a proposed lease sale for January 11, 2012, relating to the captioned tract, which sale will include "all of the lands now or formerly constituting the beds and bottoms of all waterbodies of every nature and description, and all islands and other lands formed by accretion or reliction".

Williams Land Company, L.L.C. owns the minerals in certain lands in Sections 28 & 33, T14S-R11E, St. Martin Parish, included within the proposed Tract 42454. There are no State-owned lands, or lands now or formerly constituting the beds or bottoms of waterbodies located on or within the lands in which Williams Land Company, L.L.C. owns the minerals located within proposed Tract 42454. Additionally, portions of the lands in which Williams Land Company, L.L.C. owns the minerals that lie within Tract 42454 are located adjacent to the beds of streams from which accretion has attached to the adjacent lands. As a matter of Louisiana law, the accretion is owned by the adjacent private landowner. To the extent that the notice for Tract 42454 purports to state a land ownership claim by the State of Louisiana affecting Williams Land Company, L.L.C.'s mineral interest in the properties in Sections 28 & 33, T14S-R11E and/or any accretion or reliction attached thereto, Williams Land Company, L.L.C. objects to and opposes the proposed lease.

I will be available to review and discuss this matter with representatives of the State Mineral Board, or the proposed Lessee.

Very truly yours,

WILLIAMS LAND COMPANY, L.L.C.



Rudy C. Sparks
Vice President

RCS/dh

cc: New Orleans office

RECEIVED
OFFICE OF
MINERAL RESOURCES
STATE MINERAL BOARD
2011 DEC - 9 PM 1:13

MIAMI CORPORATION
666 S. EUGENE STREET
SUITE B
BATON ROUGE, LOUISIANA 70806-5470

TELEPHONE (225) 377-2033
FAX (225) 377-8562

RECEIVED
OFFICE OF
MINERAL RESOURCES
STATE MINERAL BOARD
2011 DEC 19 PM 2:43

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

December 15, 2011

Department of Natural Resources
Office of Mineral Resources
State Mineral Board
Post Office Box 2627
Baton Rouge, Louisiana 70821-2827

Re: Tract No. 42456
Iberia Parish, Louisiana
January 11, 2012 State Lease Sale

Gentlemen:

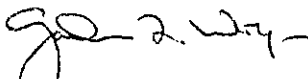
It has come to our attention that Tract No. 42456 is being advertised for lease at the upcoming January 11, 2012 State lease sale.

Without waiver of any rights, Miami Corporation represents that it is the owner of parts of the land located within this Tract. We therefore protest the advertising of any such Miami Corporation interests within this Tract.

Accordingly, we hereby request that the subject Tract be withdrawn from the January 11, 2012 lease sale. In the event that you do not withdraw this Tract, please advise any prospective bidder of the protest by furnishing a copy of this letter. Please inform the prospective bidder that Miami Corporation fully intends to take all action necessary to protect its interests in the premises.

Very truly yours,

MIAMI CORPORATION


Gordon L. Wogan
Vice President



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, January 11, 2012 at 9:37 a.m. with the following members of the board in attendance: Mr. Thomas L. Arnold, Jr., Mr. Emile B. Cordaro, Mr. Robert "Michael" Morton, Mr. Darryl D. Smith, Ms. Helen G. Smith, and Mr. Thomas W. Sanders.

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 1880 active State Leases covering nearly 851,000 acres. The Geological and Engineering Division has reviewed approximately 180 leases covering 85,000 acres.

II. Committee Review

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

The recommendation was that Hilcorp's lease development report be accepted and that Hilcorp be granted until June 13, 2012 to submit an update on their activities on State Lease 192-C including the drilling of the No. 179 Well and the approval status of the additional drilling locations.

2. A staff report on **State Lease 340-H**, Cote Blanche Island Field Selection located in Iberia Parish. Swift Energy Operating, LLC is the operator.

The recommendation was that by April 11, 2012 a second status report on Swift's efforts to finalize the approximate 1,275 acre release(s) from State Lease 340H, Cote Blanche Island, back to the state be submitted.

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

III. Report on Force Majeure

1. Recognize a force majeure condition beginning November 1, 2011 for Harvest Operating, LLC affecting State Lease 12002 caused by their continuing search for a new production facility to handle the lease's production.
2. Extend by 3 months, to April 11, 2012, Stone Energy's force majeure recognition affecting State Leases 10830, 15074, 17309, 17595 and Operating Agreement A0285 in order for Stone to re-establish production or complete pipeline negotiations.


Updated 12/29/2011

Company Name	Lease Numbers
Leases Off Production Due to Non-storm Related Force Majeure Events	
Bay Gas LLC	19930
IG Petroleum	A0232
The Harvest Group LLC	A0311
Harvest Operating LLC	12002
Stone Energy	10830, 15074, 17309, 17595, A0285

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

On motion by Ms. Smith, seconded by Mr. Cordaro, the Committee moved to adjourn its January 11, 2012 meeting at 9:44 a.m.

Respectfully submitted,


Mr. Darryl D. Smith, Chairman *uss*
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. Cordaro, the following resolution was offered and adopted:

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

WHEREAS, a request was made by Harvest Operating LLC (herein Harvest) to recognize that a force majeure condition existed for State Lease 12002 in Plaquemines Parish, Louisiana due to loss of use of production facilities beginning November 1, 2011;

WHEREAS, Harvest is no longer able to use flowlines and production facilities owned and operated by other operators nor are they able complete negotiations and surfaces operations to access a new production facility prior to the critical date of January 12, 2012;

WHEREAS, State Lease 12002 does not contain a "Force Majeure" provision which allows the Operator to maintain the lease in the event the current condition exists or by actual production requirements for as long as the force majeure is in effect;

WHEREAS, the Operator committed to amending State Lease 12002 at a future Mineral and Energy Board meeting to include a "Force Majeure" provision required in the 2005 Force Majeure Policy;

WHEREAS, Brian C. Albrecht, President of Harvest, submitted a notarized affidavit which stated that the activities and/or fortuitous events which caused the force majeure was beyond the control, not the cause, and/or due to said company and/or business entity's negligence or intentional commission or omission;

WHEREAS, Mr. Albrecht's affidavit also stated that said company and/or business entity did not fail to take reasonable and timely, foreseeable preventive measures which could have mitigated or negated the effect of said activities and/or fortuitous events;

NOW THEREFORE BE IT RESOLVED that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby recognize and acknowledge the force majeure event beginning November 1, 2011 until the April 11, 2012 Board meeting or until such time as Harvest Operating LLC is able to secure new production facilities and market for its production whichever occurs earliest for State Lease 12002 Plaquemines Parish, Louisiana. The Board requires that Harvest proceed diligently to amend State Lease 12002 to adopt the current force majeure language approved in the 2005 Resolution. Furthermore, the Board requires that Harvest in a due diligent manner, mitigate, or negate the effect of future events and make timely notification of any future events to the Mineral and Energy Board's staff of said activities which cause 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 11th day of January, 2012, 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. Cordaro, 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 10830, 15074, 17309, 17595 and Operating Agreement A0285, Terrebonne Parish, Louisiana;


WHEREAS, at the July 13, 2011 meeting, the Board extended recognition of force majeure until the meeting on October 12, 2011;

WHEREAS, Stone notified the Board that the conditions of the force majeure had not abated and requested three 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 April 11, 2012 meeting, or until Stone re-establishes a gas market whichever condition is met at the earliest date. The Board will reserve its rights to review and reconsider whether additional action is necessary concerning the situation at the April 11, 2012 meeting. Furthermore, the Board requires that Stone continue in a due diligent manner, 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 11th day of January, 2012, 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: January 12, 2012 6:34 AM

District Code 1 New Orleans- East

Get Review Date January 11, 2012

Table with 7 columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Contains 25 rows of lease data including fields like BRETON SOUND BLOCK, COX BAY, and SOUTHEAST PASS.



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: January 12, 2012 6:34 AM

District Code 1 New Orleans- East

Get Review Date January 11, 2012

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			12/10/2010			
20160		MAIN PASS BLOCK 49	VUA;SL 19445 04/14/2010	101.23	101.23	JAN. 12/28/11 CCB: HB OPS 241050 PT 10/14/12
20436		BRETON SOUND BLOCK 51		160.36	160.36	JAN. 12/21/11 JPT: LEASE 100% HBP 2011 RNTL PD PT 9/8/13
20537				0	72	JAN. DD APPROVED TO 1/12/13 PT 1/12/14 (1/12/11 REJECTED INSUFFICIENT CONSIDERATION, ACTUALLY INCORRECT BID SHEET) (2/9/11 L&T RESCINDED 1/12/11 REJECTION, ACCEPTED BID DUE TO "TYPO")



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: January 12, 2012 6:34 AM

District Code 1W New Orleans- West

Get Review Date January 11, 2012

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00192C		WEST BAY	VU60;SL 192 PP	6825	20600	JAN. OB RCD HLCP UPDATE ON ACTIVITIES BY 12/14/11 7/25/11 STEVE NEW TRNMSTL 225035 050715
02203		WEST BAY	7B RB SUA;PPG 11/18/2003 396-GGG-2 03-895	40	55	JAN. AR 11/16/11 STEVE CKED, OK
02593		WEST DELTA BLOCK 83	WDB 83 10100 CSU 11/01/1977	129.44	129.44	JAN. AR 11/16/11 STEVE CKED, OK
02869		WEST DELTA BLOCK 27	WDB27 SU	1480	1527	JAN. AR 11/16/11 STEVE CKED, OK / ANN POD
03035		SATURDAY ISLAND	233361-SL 3035-005 05/19/2006	480	801	JAN 1/3/12 RCD FOREST EMAIL UNOFL PR OF 99.01, RTNG 706.08 AC 11/9/11 OMR TO FOREST: ACCEPTED 61 & 45 AC PRS.
03528		WEST DELTA BLOCK 27	WDB27 SU	1904	2135	JAN. AR 11/16/11 STEVE CKED, OK / ANN POD
03529		WEST DELTA BLOCK 27	WDB27 SU	1676	1834	JAN. AR 11/16/11 STEVE CKED, OK / ANN POD
03978		WEST DELTA BLOCK 27	WDB27 SU	571	1234	JAN AR 11/16/11 STEVE CKED, OK A/POD
04043		WEST LAKE PONTCHARTRAIN EAST BLK 41	7400 SUA; S L 4041 03/01/1982	100.38	100.38	JAN. AR 1/3/12 JPT: 030515 CORRECTION SPLIT TRACTS 6 & 7 AC BASED ON AGRMT % 3/29/1972 DIVISION ORDER. 11/16/11 STEVE CKED, OK
04242		WEST DELTA BLOCK 27	WDB27 SU	75.72	75.72	JAN. AR 11/16/11 STEVE CKED, OK / ANN POD
04518		ST JOHN		.56	.56	JAN. AR 11/16/11 STEVE CKED, OK 220214
05259		KINGS RIDGE	9700 RA SUA, GRANDISON TRUST 03/01/1998	108.426	108.426	JAN. 12/6/11 OMR TO ALPINE RE-EST PRD/REL BY 2/8/12 JUN. AR
06121		FALSE RIVER	51.411 02/12/1979	109	109	JAN. AR 11/16/11 STEVE CKED, OK 175567
09570		BAY BATISTE	74.466 01/23/2007	25.54	25.54	JAN. AR 11/16/11 STEVE CKED, OK 186003
09571		BAY BATISTE	28 RA SUA;SL 9570 04/01/1996	57	77.091	JAN. AR 11/16/11 STEVE CKED, OK
09572		BAY BATISTE	260.649 09/18/1986	43.421	43.421	JAN. AR 11/16/11 STEVE CKED, OK
10215		LITTLE LAKE		160	160	JAN. AR 11/16/11 STEVE CKED, OK
14645		BASTIAN BAY	7950 RA SUA;SL 14645	147.519	147.519	JAN. 11/22/11 VB WILL GET



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: January 12, 2012 6:34 AM

District Code 1W New Orleans- West

Get Review Date January 11, 2012

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			339-WWW-5 99-316			W/RH AFTER THKSGVNG 12/29/10 VB STARTED REQG REL PER R.HECK ON 11/5/10. (SEP. AR)
15421		MORGANZA	335 01/24/2000	243	243	JAN. AR 11/16/11 STEVE CK IN 6 MOS.
15631		SATURDAY ISLAND	VUA;SL 15744	342.661	342.661	JAN. AR 11/16/11 STEVE CKED OK 222448 7/7/11 JPT: OMR GRANTED HLCP VUA MTG EXTENSION TO 12/11.
15744		SATURDAY ISLAND	VUA;SL 15744	297.339	297.339	JAN. AR 11/16/11 STEVE CKED OK 223269 7/7/11 JPT: OMR GRANTED HLCP VUA MTG EXTENSION TO 12/11.
16625		LAKE VERRET	225287-VUA;SL 16625-001 01/26/2001	310.77	310.77	JAN. AR 11/16/11 STEVE CKED OK 225287
16626		LAKE VERRET	VUA,SL 16625 01/10/2001	435.6	435.6	JAN. AR 11/16/11 STEVE CKED OK 225287
17344		VENICE	42.483 01/13/2006	14.517	14.517	JAN. AR 11/16/11 STEVE CKED OK 227412
18015		LAKE WASHINGTON	3000 RB SUA;COCKRELL- MORAN 11/16/2005 149-DDD-2 05-889	.52	.52	JAN. AR 11/16/11 STEVE CKED OK 229303
18441		THREE BAYOU BAY	234871-VUA,SL 18441-001 01/21/2007	143.866	143.866	JAN. AR 11/16/11 STEVE CKED OK 234871
18637		BAY MARCHAND BLOCK 2 OFFSHORE	U 4525 RJ SUA;SL 1367 10/12/2010 184-RRR 10-1050	260	1603.93	JAN. 12/8/11 CHVN SCHD MTG BY 1/9/13: PROSPECTS FROM 2012 SEISMIC.< 12/7/11 MTG: CHVN: DRL NEW WELL OR REL 20% OF APPROX 1000 AC BY 12/14/11
18868		BAYOU PEROT	VUA;SL 18748 10/10/2007	15.98	15.98	JAN. AR 11/16/11 STEVE CKED OK
19896				0	15	JAN.12/7/11 OA MTG PT 12/10/11 10/8/11
19947				0	59	JAN.12/19/11 REL RQD 12/13/11 RS JASON: APP EXP PT 12/10/11 11/12/11
19953		TIMBALIER BAY ONSHORE	D 30-39 RA SUA;SL 1772 11/01/2010 665-ZZ 10-995	77.622	239.32	JAN. DD PD TO 12/10/12 & PT 12/10/11 11/12/11
20008		LAKE WASHINGTON	L3 RA SUB;LL&E 03/15/2011 149-RR-3 11-173	87.68	154	JAN. 12/14/11 DD APPROVED TO 1/14/13 PT 1/14/12 11/29/11 STEVE: 050822 NEW TRNSMTL, W PLAT
20011		TIMBALIER BAY ONSHORE	D 30-39 RA SUA;SL 1772 11/01/2010 665-ZZ 10-995	2.533	209.47	JAN. \$316.63 OVER PD DDPMT APPROVED TO 1/14/13 12/28/11 DDPMT TO STEVE'S DESK DD & PT 1/14/12



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: January 12, 2012 6:34 AM

District Code 1W New Orleans- West

Get Review Date January 11, 2012

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
20198		DIAMOND	K 2 RB SUA; B JOHNSON NO 1 06/27/1966 553-C-1	.974	49	JAN. RNTL PD TO 12/9/12 > 1/4/12 RCD CALL RQG HOW OUTSIDE AC WAS BEING HELD. PT 12/9/12
20456		LAKE WASHINGTON	L3 RA SUB;LL&E 03/15/2011 149-RR-3 11-173	14.42	37	JAN. 11/29/11 STEVE: 050822 NEW TRNSMTL, W PLAT 11/16/11 STEVE RNTL PD PT 10/13/13
20457				0	515	JAN. 11/16/11 STEVE RNTL PD PT 10/13/13
20458				0	94	JAN. 11/16/11 STEVE RNTL PD PT 10/13/13
20459				0	41 26	JAN. 11/16/11 STEVE RNTL PD PT 10/13/13
20482				0	242.39	JAN. 12/12/11 JPT RS: ADD'L CONSIDERATION MET & LEASE HB OPERATIONS PT 11/10/13 *ADDITIONAL CONSIDERATION* COMMENCE OPS TO RESTORE 218826, OR LD \$7,300. WITHIN 30 DAYS OF 11/2011
20484		WEST DELTA BLOCK 52	17 MKR-5 RA SUA;SL 451 01/11/2011 1308-D 11-23	174.032	457	JAN. 12/6/11 STEVE:617187 W PLAT DDPMT APPROVED TO 11/10/12 PT 11/10/13



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00199B		LAKE BARRE	VU26, LB U26	144	566.99	JAN. AR
00301A	0	CAILLOU ISLAND	W1-W2 RA SUA;SL 1247 11/30/2010 411-YYYY 10-1261	2345	5765.47	JAN. AR
00301B	0	LAKE BARRE	400 47 10/14/2010	0	401.99	JAN. 12/12/11 JPT: HLCP REL'G ENTIRETY OF 301-B ><HLCP: POD/REL BY 12/14/11
00340H	0	COTE BLANCHE BAY, EAST		1400	6240	JAN. OB RCD 1/3/12 EMAIL SWIFT RPT ON PR(S) & DIVESTITURE OF FIELD (6/8/11 ACCEPTED 1000 AC REL) (5/13/10 FU >10/09 ACCEPTED ~265 AC PR=3/3/10 SWIFT WORKING ON PR)
00340H	0	COTE BLANCHE BAY, WEST		1400	6240	JAN. OB RCD 1/3/12 EMAIL SWIFT RPT ON PR(S) & DIVESTITURE OF FIELD (6/8/11 ACCEPTED 1000 AC REL) (5/13/10 FU >10/09 ACCEPTED ~265 AC PR=3/3/10 SWIFT WORKING ON PR)
00340H	0	COTE BLANCHE ISLAND		1400	6240	JAN. OB RCD 1/3/12 EMAIL SWIFT RPT ON PR(S) & DIVESTITURE OF FIELD (6/8/11 ACCEPTED 1000 AC REL) (5/13/10 FU >10/09 ACCEPTED ~265 AC PR=3/3/10 SWIFT WORKING ON PR)
00346		GRAVEYARD ISLAND , LAKE VERRET, WEST	VU C;	132	383	JAN. AR
00368		BAYOU SALE	BS ROB 6 RJ SU	200	400	JAN. AR
00411		LAKE CHICOT	J-2 SUB;SL 411 L C U C 07/13/2010 119-J-1 10-817	1040	3720	JAN 12/21/11 OMR TO HLCP: POD BY 12/12/12 > < RCD HLCP: POD/REL BY 12/ 8/11 JUL. AR
00711		DUCK LAKE	DL OPERC 2 RA SU	405	658	JAN. 12/16/11 JPT NEW 616841 W PLAT : HLCP PREVIOUSLY PAID LEASE PRD FOR THIS WELL UNDER LUW 306360
01337		BATEMAN LAKE , SWEET BAY LAKE	9700 RSW1B SUA;SL 1337 WAX U1 89-K-3 90-110	600	2076	JAN. 610808 PRDG TO 10/11 <CK FM> CCB: FM 6/8/11 LRC (OB) 4/27/11 JPT: SYLVAN WILL BE CONTACTED FOR DEV UPDATE.
02034		BRANCH, NORTHWEST , CHURCH POINT	NWB SU 06/01/1988	12	12	JAN. AR
03435		LAKE LA ROSE	155.4 12/16/1992	.76	.76	JAN. AR
03475		LAKE PAGIE	CC2 RA VUA;LATERRE CO INC B	573	657	JAN. AR



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03897		JEANERETTE	PLAN 4-A SU A; C. B. CAUSEY 12/01/1986	9	11.19	JAN. AR
07584		LAKE ARTHUR, SOUTH	48.756 12/29/2008	81.816	81.816	JAN. AR
14310		SHIP SHOAL BLOCK 45	191.067 09/23/1999	274.073	274.073	JAN. AR
14311		SHIP SHOAL BLOCK 45	145.449 09/23/1999	387.771	387.771	JAN. AR
14807		JEFFERSON ISLAND		240	442	JAN. AR
16944		SOUTH TIMBALIER BLOCK 8		205.53	205.53	JAN. AR
18677		FOUR LEAGUE BAY	644.863 07/26/2010	43.137	43.137	JAN. AR
18860		EUGENE ISLAND BLOCK 6	SL 18860 02/13/2008	244.08	335.91	JAN. 12/21/11 FINAL DDPMT APPROVED TO 1/11/13 DD 1/11/12 PT 1/11/11
19141		ISLES DERNIERES		251.38	251.38	JAN. AR
19155		EUGENE ISLAND BLOCK 6	SL 18860 02/13/2008	250	250	JAN PT 10/13/11 SUMMIT EGA 20031001(10/03)
19299		EUGENE ISLAND BLOCK 7	216.206 03/15/2011	16.564	16.564	JAN. AR 616381 PRDG 10/11
19411		EUGENE ISLAND BLOCK 7	150.077 09/10/2010	148.183	148.183	JAN. AR 616381 PRDG 10/11
19500				0	1421.81	JAN. PT 10/10/12
19514				0	176.63	JAN. PT 10/10/12
19639				276.15	283	JAN. ILR PD TO 10/9/11 DD 4/9/12 6/3/11 KAM: APPROX AC, NO PLAT 242101 PT 4/9/11 1/6/11 PLAT RQD LLOG 616463 JPT 242101 CMPD 12/9/10
19698				0	26	JAN. 12/19/10 FUL RR 7/6/10 REL RQD PT 6/11/11
19731		EUGENE ISLAND BLOCK 7	302.989 08/18/2011	102.761	102.761	JAN. AR 616381 PRDG 10/11
19746		EUGENE ISLAND BLOCK 7	CIB OP G VUA;SL 19731 05/12/2010	42.41	42.41	JAN. AR 616381 PRDG 10/11 ILR PD 9/16/11 TO 3/16/12 OCT. AR
19775				0	8	JAN. 12/15/10 FUL RR 9/1/10 REL RQD PT 8/13/11
19943		WEEKS ISLAND	U RF SUA;ST WEEKS BAY 03/06/2001 146-Z-7 01-139	1.3	7	JAN. 12/15/11 DD APPROVED TO 12/10/12 PT 12/10/11 11/12/11 9/26/11 REID 050777 W PLAT
19984		LAKE BARRE	311.23	125.8	125.8	JAN. SUGGEST AR IF PRDG PT



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			12/11/2009			1/14/12 12/10/11
20162				7.223	29	JAN. 1/28/11 JPT TRNSMTL 050544 240493 EFF 4/1/10 RCD UNIT S/P 1/24/2011 11/1/10 PR RQD 10/27/10 RS JPT: 7.34 HBP 7450 RB SUA 21.66 AC EXP PT 10/14/12
20452				0	258	JAN. PT 10/13/13



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00112		CADDO PINE ISLAND		40	40	JAN. AR 11/21/11 SAM CKED, OK
00249		SLIGO	HOSS 2 SUL;SKANNAL 01/01/1989	49	49	JAN. AR 11/21/11 SAM CKED, OK
00543		LUCKY	VUW;NEBO OIL CO	130	130	JAN. AR 11/21/11 SAM CKED, OK
00598		HAYNESVILLE	HA P SU 07/01/1976	.138	.138	JAN. AR 11/21/11 SAM CKED, OK
04347		BLACK LAKE	191843-BLKE PET SU;R TAYLOR-001 11/07/1984	73	73	JAN.11/21/11 SAM: PRD IMPROVED=AR CK PRD PER VMV 6/15/11 6/9/11 SAM: RECK 6 MOS, BARELY PRDG JUL. AR
04348		BLACK LAKE	BLKE PZU 07/01/1976	284	284	JAN.11/21/11 SAM: PRD IMPROVED=AR CK PRD 12/11 PER VMV 6/15/11 6/9/11 SAM: RECK 6 MOS, BARELY PRDG JUL. AR
04481		PARKER LAKE	31.1 11/07/1990	15.79	43.28	JAN. AR 11/21/11 SAM CKED, OK
04652		BRYCELAND, WEST	HOSS B SUE;CRAWFORD F 09/01/1995	3.1	3.5	JAN. AR 11/21/11 SAM CKED, OK
04653		BRYCELAND, WEST	HOSS B SU H, SIMMONS 07/01/1976	1.4	1.4	JAN. AR 11/21/11 SAM CKED, OK
04654		BRYCELAND, WEST	HOSS B SU H; SIMMONS 07/01/1976	.4	.4	JAN. AR 11/21/11 SAM CKED, OK
06815		GREENWOOD-WASKOM	G W H.L. SU 12/01/1993	5.158	5.158	JAN. AR 11/21/11 SAM CKED, OK
11155		ELM GROVE	VUB;L A COWLEY	76.18	76.18	JAN. AR 11/21/11 SAM CKED, OK
11855		ELM GROVE	VUB;L A COWLEY	30.83	30.83	JAN. AR 11/21/11 SAM CKED, OK
15448		PITKIN	AUS C RA SUG;EXXON MINERALS 13 07/29/1997 1412-A-2 97-494	40	40	JAN. AR 11/21/11 SAM: SPORATIC PRD, SEMI-ANNUAL REVIEW
15459		MASTERS CREEK, WEST	AUS C RA SUG;TEMPLE 22 02/01/1997	8	8	JAN. AR 11/21/11 SAM CKED, OK
15461		MASTERS CREEK, WEST	AUS C RA SUF;TEMPLE A 24 04/01/1997	68.238	68.238	JAN. AR 11/21/11 SAM CKED, OK



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15873		SUGARTOWN	17.348 12/17/2009	12.908	12.908	JAN. AR 11/21/11 SAM CKED, OK
16305		ELM GROVE	HA RA SU98;MOON LAKE 10 10/20/2009 361-L-64 09-1112	26	26	JAN. AR
16623		MASTERS CREEK	AUS C RA SUVV,SWENCO MIN A22 02/04/1997 1386-A-11 97-43	40	40	JAN. AR 11/21/11 SAM CKED, OK
17947		CASPIANA	HA RB SUO;ZIMMERMAN 36-15-12 H 12/09/2008 191-H-26 08-1817	15.08	15.08	JAN. AR 11/21/11 SAM CKED, OK
18243		ELM GROVE	112.84 12/02/2010	126.26	126.26	JAN. AR 11/21/11 SAM CKED, OK
18368		CASPIANA , ELM GROVE	LCV RA SU119;LEONARD RD FRMS32 10/22/2008 361-E-546 08-1636	149.709	149.709	JAN. AR 11/21/11 SAM CKED, OK
18863		RED RIVER-BULL BAYOU	HA RB SU68;ELMWOOD 30 H 10/20/2009 109-X-67 09-1120	28.16	28.16	JAN. AR 11/21/11 SAM CKED, OK 6/10/11 JPT: PRELIM13 616553 RCD PRELIM SRVY PLAT
19121		ELM GROVE	CV RA SU88;HARTER 15 361-B-5	8.5	8.5	JAN. AR 11/21/11 SAM CKED, OK
19122		CASPIANA	CV RA SUW;BROYLES 2 04/24/2007 191-A-1	83.741	83.741	JAN. AR 11/21/11 SAM CKED, OK
19125		RED RIVER-BULL BAYOU	HA RD SUI;J T BOLAN ETAL 34H 06/25/2009 109-X 08-858	79.501	79.501	JAN. FINAL DD 10/11/11 PT 10/11/09 10/24/11 SAM: CORRECTION 615936 9/26/11 JPT 616984 PRELIMINARY81. PRELIMY SRVY UNIT PLAT RCD.
19501		DIXIE	68 01/25/2010	25.558	25.558	JAN. AR 11/21/11 SAM CKED, OK
19692		WOODARDVILLE	HA RA SUHH,BRENDA JONES 5 12/09/2008 990-D-5 08-1816	8.31	8.31	JAN. 12/6/11 SAM:CORRECTION 616236 DUE TO RCT OF CERTIFIED OOC APPROVED UNIT SRVY PLAT
19693		WOODARDVILLE	HA RA SU79;L L GOLSON 9 H 12/15/2009 990-D-29 09-1316	18.41	35	JAN. 12/6/11 SAM:CORRECTION 616236 DUE TO RCT OF CERTIFIED OOC APPROVED UNIT SRVY PLAT 6/15/11 SAM: 100% HBP &/OR OPERATIONS
19756		ELM GROVE , SLIGO	HA RA SU83;DYSON 34-17-12 H 10/20/2009 361-L-63 09-1005	20.38	30	JAN. 12/5/11 JPT:CORRECTION 616020 11/10/11 RCD PLAT



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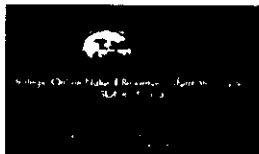
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19845		CONVERSE	HA RA SUC;BSM 31 H 04/07/2009 501-G 09-376	36.188	95	JAN. 12/22/11 DDPMT APPROVED TO 12/10/12 12/9/11 DDPMT TO SAM DD & PT 12/10/11 10/8/11
19848		CONVERSE	HA RA SUM;CASSEL 35 04/07/2009 501-G 09-376	38.01	92	JAN. DD OVERPAID \$6,204.84 TO 12/10/12 & PT 12/10/11 11/12/11
19857		CATAHOULA LAKE	240558-SL 19857 ETAL-001 12/20/2009	28.62	28.62	JAN. SUGGEST AR 12/20/11 RCD OFL PR OF 1449.38 RTNG 28.62 240558-SL 19857 ETAL001 IS UNIT, NOT SL WELL. PT 12/10/11 10/8/11
19928				0	5	JAN. 1/3/12 RS SAM/JPT: ALL 5 AC CONTAINED IN UNITS WITH ACTIVITY. NEED TO CK ACTIVITY 3/12 JPT. PT 12/10/11 11/12/11
19930				0	105	JAN. 1/3/12 RS SAM/JPT: LEASE HB FM PROVISION APPROVED 12/14/11 PT 12/10/11 11/12/11
19958		CARLTON, NORTH	CV PRUDY RB SUA;B L MAZA 03/06/2007 746-C-2 07-164	40	40	JAN SUGGEST AR 1/3/12 RS SAM: LEASE 100% HBP WSN 232593, 614847. PT 12/10/11 11/12/11 TAX ADJUDICATED LANDS
20146		ELM GROVE	HA RA SU67;FRANKS 11-16-13-H 06/09/2009 361-L-39 09-925	1.32	5	JAN. PT 10/14/12 6/10/11 JPT: PRELIMINARY16 TRNSMTL 616106 RCD PRELIM SRVY PLAT. ST AC DETERMINED BY DNR GIS SYSTEM. FINAL TRNSMTL & CORRECTION WILL BE DONE LATER
20147		ELM GROVE	HA RA SU90;MAMIE ELSTON 13 H 09/10/2009 361-L-58 09-970	33	33	JAN. 11/21/11 SAM CKED, OK 6/9/11 JPT: PRELIM 8 TRNSMTL 6-9-11 616534 6/7/11 HA RA SU90; (LUW 616534) EST PROD AC PT 10/14/12 241361
20150		THORN LAKE	HA RA SUF;WAERSTAD 07/15/2008 1145-B	3	3	JAN. 11/21/11 SAM CKED, OK 6/14/11 JPT: PRELIMINARY20 CORRECTION TRNSMTL 615469 ORIGINAL TRNSMTL DID NOT INCLUDE ST AC UNDER SL 20150. 6/7/11 HA RA SUF; (615496) ONE UNIT PT 10/14/12
20151		SWAN LAKE	HA RA SUR;LOFTIN 32 H 06/23/2009 691-C-12 09-670	4	4	JAN. 11/21/11 SAM CKED, OK PT 10/14/12 6/9/11 JPT: PRELIM 12 TRNSMTL 6-9-11 616588
20152		CASPIANA	HA RA SU139,GUY FARMS 9 H 12/01/2009 191-H-71 09-1242	1	1	JAN. 11/21/11 SAM: 100% HBP DDPMT, DRLG, RNTL. PT 10/14/12
20153		BRACKY BRANCH	HA RA SUA;BROWN SW MIN 9H 09/16/2008 917-L	11.727	11.727	JAN. 11/21/11 SAM CKED, OK PT 10/14/12



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20154		RED RIVER-BULL BAYOU	HA RB SU67;WELLMAN 29-13-11 H 10/13/2009 109-X-66 09-1107	4	4	JAN. 11/21/11 SAM CKED, OK 12/21/11 SAM CORRECTION 616720 RCD CORRECTED CERTIFIED UNIT SRVY PLAT. 2 UNITS. STATE MINERAL INTEREST ON ONE UNIT PT 10/14/12
20156		RED RIVER-BULL BAYOU	HA RB SUFF;BAYOU PIERRE 31 H 04/22/2009 109-X-33 09-411	36.429	86	JAN. 12/21/11 JPT CORRECTION 616326 REPLACES PRELIM 17 RCD CERTIFIED UNIT SRVY PLAT
20157				0	82	JAN. 10/14/11 ILR PD TO 4/14/2012 PT 10/14/12
20158		CHEMARD LAKE	20.578 01/19/2011	9.422	9.422	JAN. 11/21/11 SAM CKED, OK PT 10/14/12 6/29/11 SAM. 100%HBP
20159		CHEMARD LAKE , RED RIVER-BULL BAYOU	HA RA SUA;PRIEST 12 H 04/28/2009 700-G 09-452	6	6	JAN 11/21/11 SAM CKED, OK PT 10/14/12 11/18/11 JPT 616886 PRELIM 94:SLO WATERBOTTOM LAYER IDS DOLET BAYOU WITHIN UNIT AS DUAL CLAIMED
20173		RED RIVER-BULL BAYOU	HA RB SUVV;WELLMAN 20- 13-11 H 07/21/2009 109-X-54 09-767	39.716	39.716	JAN. 11/21/11 SAM CKED, OK PT 10/14/12 TAX ADJUDICATED
20174				0	75	JAN. 11/30/11 REL RQD PT 11/12/12 11/12/09 RENTAL AND BONUS ARE THE SAME
20192		CONVERSE	HA RA SU111;BSMC LA A 25 HZ 10/26/2010 501-G-34 10-1090	18.014	18.014	JAN. 12/21/11 JPT CORRECTION 616879 REPLACES PRELIM 96 RCD CERTIFIED UNIT SRVY PLAT 16 LEASED AC CHANGED TO 18.014 PER PLAT, RQD MACY CHANGE QLD PER EMILE PT 12/9/12
20273				0	244	JAN. 11/16/11 SRVY PLAT RQD PETROHAWK;HA RA SUKK; 242109; 617143 PT 3/10/13
20354		ELM GROVE , SLIGO	.386 06/07/2011	10.614	10.614	JAN. 12/5/11 JPT:CORRECTION 615946 REPLACES PRELIM 52 12/5/11 JPT:CORRECTION 616020 11/10/11 RCD PLAT
20444				0	436	JAN. 11/21/11 SAM: RNTL PD PT 10/13/13
20446		ELM GROVE	HA RA SUNN;BENBOW 4-15-11 H 01/27/2009 361-L-22 09-93	1	1	JAN. 11/21/11 SAM CKED, OK PT 10/13/13
20460				0	313.69	JAN. PT 10/13/13 DEWEY W. WILLS WMA LASALLE & RAPIDES PARISH SCHOOL BOARDS.
20471		GREENWOOD-WASKOM	HA RA SU78;LCD&S 23-17-15 H	53.723	53.723	JAN. 11/21/11 SAM CKED, OK 8/5/11 616761 PRELIM 72, PRD



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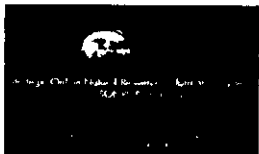
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			06/03/2010 270-MM-51 10-586			BEGAN 5/11 PT 10/13/13 VACANT STATE LAND
20477				0	44	JAN 11/30/11 REL RQD 11/29/11 RS SAM: APP EXP PT 11/10/13
20553				0	22	JUN. PT 3/9/14 11/16/11 SRVY PLAT RQD ANADARKO; 243229; 050797
20721				6.144	108	JAN. 12/2/11 SAM: 617176 241590 FROM CERTIFIED OOC APPROVED UNIT SRVY PLAT 11/16/11 SRVY PLAT RQD SAMSON; 242003; 617103. DEC. PT 9/14/14



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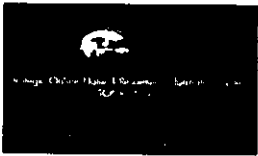
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00517		REDELL	6450 RA SUA;HATTIE HAAS ESTATE 04/04/2006 98-R 06-322	43.18	50	JAN AR
11384		LAKE ARTHUR, SOUTH	48.728 12/29/2008	112.612	112.612	JAN. AR
12239		COWARDS GULLY	27.44 10/05/1990	35.56	35.56	JUL. AR
12725		WEST CAMERON BLOCK 1	9850 RA SUA;SL 12848 12/19/2006 1358-G 06-1428	104.29	104.29	JAN. AR
15690		GILLIS-ENGLISH BAYOU	140.22 09/26/2001	11.01	11.01	JAN. AR
15691		GILLIS-ENGLISH BAYOU	17.04 09/26/2001	21.96	21.96	JAN. AR
16874		GRAND CHENIERE, SOUTH	6400 RA SUA;THERIOT HEIRS 01/29/2004	10.956	10.956	JAN. AR
18423		CREOLE OFFSHORE	VUB;SL 18521 03/11/2009	401.36	401.36	JAN. AR 12/29/11 050242 PRDG 10/11
18429		BEACONS GULLY	33.432 07/12/2007	2.568	2.568	JAN. AR
18521		CREOLE OFFSHORE , LAKE ST JOHN	242709-VUB;SL 18521-005 07/11/2011	433.41	433.41	JAN. AR 12/29/11 050242 PRDG 10/11 JUN. AR
19031		CREOLE OFFSHORE	80.38 08/04/2010	38	38	JAN. AR 12/29/11 050242 PRDG 10/11
19190		CREOLE OFFSHORE	VUB;SL 18521 03/11/2009	52.21	234.37	JAN. DD PD TO 12/13/12 & PT 12/13/11
19192		CREOLE OFFSHORE	VUB;SL 18521 03/11/2009	9.36	93.99	JAN DD PD TO 12/13/12 & PT 12/13/11
19497				0	197.48	JAN. PT 10/10/12
19534				218.39	862.53	JAN. DD APPROVED TO 12/12/12 PT 12/12/12
19536				315.555	1250	JAN. DD APPROVED TO 12/12/12 PT 12/12/12
19547				228.826	762	JAN. FINAL DD APPROVED TO 12/12/12 PT 12/12/10
19938				141.87	463	JAN. DD APPROVED TO 12/10/12 12/14/11 DD TO JPT 12/9/11 DDPMT TO REID PT 12/10/11 10/8/11 6/2/11 SRVY PLAT RQD SAMSON 241819 616754 HA RA SUEE
19939				116.63	279	JAN. DD APPROVED TO 12/10/12 12/14/11 DD TO JPT 12/9/11 DDPMT TO REID PT 12/10/11 10/8/11



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Get Review Date January 11, 2012

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
20178				0	25	JAN. 11/21/11 REL RQD 11/15/11 RS REID: APP EXP FEB. PT 11/12/12
20472				0	101.67	JAN. PT 10/13/13 OPTION 6/29/11 VU'S MTG
20481				0	127	JAN. 11/21/11 REL RQD 11/15/11 RS REID: APP EXP PT 11/10/13
20623				0	109	JAN. JPT:11/22/11 EL PASO ISSUED DRLG UNIT UNDER 771-E-1 EFF 10/11/11 WILCOX ZONE RA. E'RN UNIT BOUNDARY INCLUDES THIS LEASE.
20672				0	27	JAN. 11/14/11 JPT: UNION GAS PLANS TO FORM UPPER WILCOX ZONE RA SUA, INCLUDING 20672. PT 7/13/14
20673				0	27	JAN. 12/6/11 JPT: CENTURY EXPL APPLIED TO CREATE 3 UNDRLD UNITS PT 7/13/14
20743				0	16	JAN. 11/6/11 JPT: CENTURY EXPL APPLIED TO CREATE 3 UNDRLD UNITS DEC PT 9/14/14
181				38,272.128	84,661.081	



State of Louisiana
DEPARTMENT OF NATURAL RESOURCES
OFFICE OF MINERAL RESOURCES
STATE MINERAL AND ENERGY BOARD
NOMINATION AND TRACT COMMITTEE REPORT

The Nomination and Tract Committee, convened at **9:42 a.m.** on Wednesday, *January 11, 2012* with the following members of the Board in attendance:

Mr. Thomas L. Arnold, Jr. Mr. Emile B. Cordaro Mr. Robert M. Morton
Mr. Thomas W. Sanders Mr. Darryl D. Smith Ms. Helen G. Smith

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the March 14, 2012 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of *Ms. Smith*, duly seconded by *Mr. Sanders*, the Committee voted unanimously to recommend to the Board the granting of authority to the staff to advertise all such tracts as have been reviewed by the State Land Office and the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report presented by Mr. Fontenot.

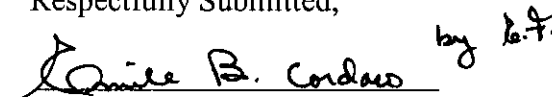
The Committee was informed of a letter of protest from Miami Corporation dated December 15, 2011 pertaining to Tract No. 42456 situated in Iberia Parish, Louisiana. No action was required.

The Committee was informed of letters of Protest from Salt Domes, Partnership, both dated December 6, 2011 pertaining to Tract No. 42449 and 42450, situated in St. Martin Parish, Louisiana. No action was required.

The Committee was informed of letters of Protest from Williams Land Company, L.L.C. and Williams, Inc., all dated December 6, 2011, pertaining to Tract Nos. 42452, 42453 and 42454, situated in St. Martin Parish, Louisiana. No action was required.

The Committee, on motion of *Ms. Smith*, seconded by *Mr. Arnold*, voted to adjourn at **9:45 a.m.**

Respectfully Submitted,


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 *Ms. Smith*, seconded by, *Mr. Sanders*, the following Resolution was offered and adopted:

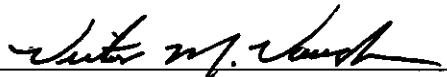
WHEREAS, Mr. Emile Fontenot presented to the State Mineral and Energy Board 68 tracts that had been nominated for the March 14, 2012 Mineral Lease Sale, and that same are to be advertised pending staff review; now therefore

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 11th day of January 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



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

AUDIT COMMITTEE REPORT

The regular meeting of the Audit Committee of the State Mineral and Energy Board was held on Wednesday, January 11, 2012, 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.
Emile B. Cordaro
Robert "Michael" Morton

Thomas W. Sanders
W. Paul Segura, Jr.

Darryl D. Smith
Helen G. 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 Devon Energy Corp.

Upon recommendation of the staff and upon motion of Mr. Sanders, seconded by Ms. Helen Smith, the Committee voted unanimously to approve the 75% penalty waiver of \$12,155.83.

The second matter considered by the Committee was the election of the January 2012 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. Segura, seconded by Ms. Helen Smith, the Board voted unanimously to adjourn the Audit Committee at 9:50 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. Sanders, seconded by Ms. Helen Smith, the following Resolution was offered and adopted:

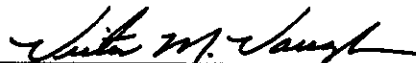
WHEREAS, Devon Energy Corp. has made a letter application for reduction of penalties assessed in the amount of \$16,207.77 due to late royalty payments in the Main Pass Block 69 (6429), State Leases 02557 and 03851; and

WHEREAS, the Mineral Income Division has verified that the underpayment of royalties was discovered and paid by Devon Energy Corp. 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 \$12,155.83 of the total penalty assessed to Devon Energy Corp.

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 11th day of January, 2012, 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 January 11, 2012, 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. Thomas L. Arnold, Jr.
Mr. W. Paul Segura, Jr.
Mr. Robert "Michael" Morton

Mr. Emile B. Cordaro
Mr. Darryl David Smith
Ms. Helen Godfrey Smith

The Legal and Title Controversy Committee was called to order by Mr. Segura at 9:49 a.m.

The first matter considered by the Committee was a request for final approval of a Lease Extension Agreement presented by Harvest Oil & Gas, LLC, whereas said party desires to extend their respective primary terms for an additional year in consideration of a full bonus payment on each lease and an increase of 0.5% royalty on each lease, with an option to further extend the primary term for an additional year in consideration of the payment of a full bonus on each lease only, affecting State Lease Nos. 19967, 19968, 19969 and 19971, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-01.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Smith, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of the Lease Extension Agreement presented by Harvest Oil & Gas, LLC, on the docket as Item No. 12-01. No comments were made by the public.

The second matter considered by the Committee was a request for final approval of the Operating Agreement presented by and between the State Mineral and Energy Board and XPLOR Energy Operating, Co., to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 15% before payout, increasing to 18% after payout, in and to the Operating Tract, whereas Operator desires and intends to re-establish production from the SL1480 No. 2 (SN 224584), containing 73.56523 acres, more or less, covering a portion of Former State Lease No. 1480, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-02.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Ms. Smith, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of the Operating Agreement presented by and between the State Mineral and Energy Board and XPLOR Energy Operating, Co., on the docket as Item No. 12-02. No comments from the public were made.

The third matter considered by the Committee was a request by Donnegal Energy, LLC for an Operating Agreement covering acreage contained in Putative State Lease No. 19282, Tract No. 38893, Township 18 South-Range 24 East, Manila Village Field, located in Jefferson Parish. Donnegal Energy, LLC further requests that the acreage in question be deemed unavailable for leasing pending the confection of said operating agreement for a period not to exceed the date of the third Mineral and Energy Board Meeting after the Board has authorized negotiations and that it be allowed to escrow royalties attributable to both wells pending execution of an operating agreement.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Smith, the Committee voted unanimously to recommend that the State Mineral and Energy Board authorize negotiating an operating agreement on the acreage of putative State Lease No. 19282, that the acreage be made unavailable for leasing pending the negotiations, and that Donnegal be allowed to escrow production payments due the State from the portion of the water bottom in title controversy for a period not to exceed 90 days, after which, if no settlement of the issue has been reached, Donnegal will file a concursus proceeding and the funds will be placed in the Registry of the Court. No comments from the public were made.

Upon motion of Mr. Segura, seconded by Ms. Smith, the Committee voted unanimously to go into Executive Session at 9:54 A.M.

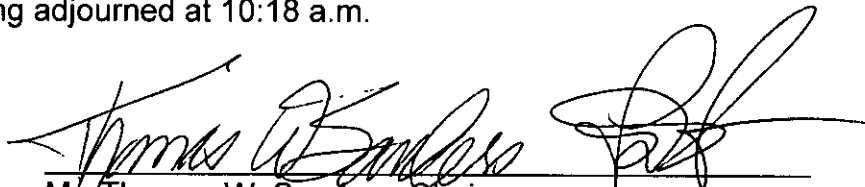
Upon motion of Ms. Smith, seconded by Mr. Segura, the Committee voted unanimously to return to Open Session at 10:17 A.M.

The following matter was discussed in Executive Session:

The fourth matter considered by the Committee was a discussion in executive session of the settlement reached in consolidated suits entitled Gulf Production Company, Inc. et al v. Hoover Oilfield Supply, Inc, et al, Nos. 08-5016 "B"(4) c/w 09-104, and 09-2779, United States District Court, Eastern District of Louisiana.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Ms. Smith, the Committee voted unanimously to grant final approval of an assignment of state claims in the Gulf Production lawsuit with further particulars being stipulated in the assignment, on the docket as 12-03. No comments from the public were made.

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

A handwritten signature in black ink, appearing to read 'Thomas W. Sanders', is written over a horizontal line. To the right of the signature is a large, stylized flourish or scribble.

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

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LEGAL AND TITLE CONTROVERSY COMMITTEE

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

WHEREAS, a request was made for final approval of the Lease Extension Agreement presented by Harvest Oil & Gas, LLC, whereas said party desires to extend their respective primary terms for an additional year in consideration of a full bonus payment on each lease and an increase of 0.5% royalty on each lease, with an option to further extend the primary term for an additional year in consideration of the payment of a full bonus on each lease only, affecting State Lease Nos. 19967, 19968, 19969 and 19971, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-01;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Lease Extension Agreement presented by Harvest Oil & Gas, LLC, on the docket as Item No. 12-01.

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 11th day of January, 2012, 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 Ms. Smith, the following resolution was offered and unanimously adopted:

WHEREAS, a request was made for final approval of the Lease Amendment by and between the State of Louisiana, through the State Mineral and Energy Board and XPLORE Energy Operating, Co., to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 15% before payout, increasing to 18% after payout, in and to the Operating Tract, whereas Operator desires and intends to re-establish production from the SL1480 No. 2 (SN 224584), containing 73.56523 acres, more or less, covering a portion of Former State Lease No. 1480, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-02;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Operating Agreement presented by and between the State Mineral and Energy Board and XPLORE Energy Operating, Co., on the docket as Item No. 12-02.

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 11th day of January, 2012, 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. Smith, the following resolution was offered and unanimously adopted:

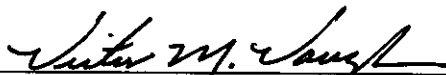
WHEREAS, a request was made by Donnegal Energy, LLC for an Operating Agreement covering acreage contained in Putative State Lease No. 19282, Tract No. 38893, Township 18 South-Range 24 East, Manila Village Field, located in Jefferson Parish. Donnegal Energy, LLC further requests that the acreage in question be deemed unavailable for leasing pending the confection of said operating agreement for a period not to exceed the date of the third Mineral and Energy Board Meeting after the Board has authorized negotiations and that it be allowed to escrow royalties attributable to both wells pending execution of an operating agreement;

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

NOW, BE IT THEREFORE RESOLVED, that the Committee recommends that the State Mineral and Energy Board authorize negotiating an operating agreement on the acreage of putative State Lease No.19282, that the acreage be made unavailable for leasing pending the negotiations, and that Donnegal be allowed to escrow production payments due the State from the portion of the water bottom in title controversy for a period not to exceed 90 days, after which, if no settlement of the issue has been reached, Donnegal will file a concursus proceeding and the funds will be placed in the Registry of the Court.

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 11th day of January, 2012, 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 Ms. Smith, the following resolution was offered and unanimously adopted:

WHEREAS, a discussion in executive session was held regarding the settlement reached in consolidated suits entitled Gulf Production Company, Inc. et al v. Hoover Oilfield Supply, Inc, et al, Nos. 08-5016 "B"(4) c/w 09-104, and 09-2779, United States District Court, Eastern District of Louisiana;

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

NOW, BE IT THEREFORE RESOLVED, the Committee recommends that the State Mineral and Energy Board grant final approval of an assignment of state claims in the Gulf Production lawsuit with further particulars being stipulated in the assignment, on the docket as 12-03.

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 11th day of January, 2012, 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

DOCKET REVIEW COMMITTEE REPORT

The Docket Review Committee convened at 10:20 a.m. on Wednesday, January 11, 2012. Board Members present were Mr. John C. "Juba" Diez, Ms. Helen G. Smith, Mr. Thomas L. Arnold, Jr., Mr. Emile Cordaro, Mr. Darryl D. Smith, Mr. W. Paul Segura, Jr., Mr. Robert "Michael" Morton and Thomas W. Sanders.

The Committee made the following recommendations:

Approve all Assignments on pages 2 through 13; Nos. 14 and 24 on pages 8 and 12 would be approved subject to the approval of the Governor of Louisiana;

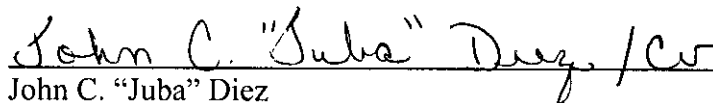
Approve the following items upon recommendation of the Legal and Title Controversy Committee: Docket Item Nos. 12-01 and 12-02 on page 14;

Approve the following items: Docket Item Nos. 12-03, 12-04, 12-05 and 12-06 on pages 14 and 15.

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

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

Respectfully submitted,

Handwritten signature of John C. "Juba" Diez, with initials "JC" at the end.

John C. "Juba" Diez
Chairman
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. Segura 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 January 11, 2012 Meeting be approved, said instrument being an Assignment from Patrick L. Donohue Petroleum Properties, Inc to Hilcorp Energy I, L.P., of all of Assignor's right, title and interest in and to State Lease Nos. 20578, 20579, 20580 and 20642, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

Hilcorp Energy I, 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,

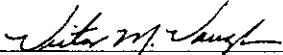
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being a Change of Name whereby Matador Resources Company is changing its name to MRC Energy Company, affecting State Lease Nos. 17947, 18391, 18393, 18394, 18395, 18605, 20091, 20140, 20141, 20147, 20150, 20151, 20152, 20153, 20154, 20155, 20156, 20157, 20173, 20186, 20269, 20270, 20274, 20445, 20474, 20475, 20476, 20477, 20478, 20479, 20620, 20701, 20758 and 20788, Bienville, Bossier, Caddo, DeSoto and Red River Parishes, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

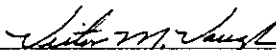
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being an Assignment from XPLOR Energy SPV-1, Inc to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease Nos. 1958, 1961 and 2125, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

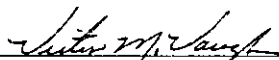
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being an Assignment from Chesapeake Louisiana, L.P. to PXP Louisiana L L C , an undivided 20% of Assignor's right, title and interest in and to State Lease No. 18243, Bossier and Caddo Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

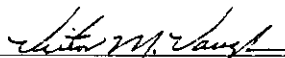
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 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 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being a Change of Name whereby Century Exploration Resources, Inc. is changing its name to Century Exploration Resources, LLC, affecting State Lease Nos. 12806, 15683, 17674, 17675, 17860, 17861, 17863, 17942, 18258 and 18550, Iberia and Plaquemines Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

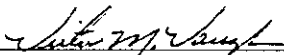
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being a Change of Name whereby Century Exploration New Orleans, Inc. is changing its name to Century Exploration New Orleans, LLC, affecting State Lease Nos. 3770, 12806, 15683, 16735, 16736, 16737, 16738, 17674, 17675, 17689, 17691, 17767, 17860, 17861, 17863, 17942, 17965, 18549, 18550, 19050, 19051, 19052, 19079, 19201, 19347, 19384, 19391, 19669, 19948 and 20423, Lafourche, Plaquemines and St Charles Parishes, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

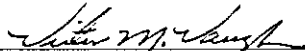
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being a Change of Name whereby Century Exploration Houston, Inc. is changing its name to Century Exploration Houston, LLC, affecting State Lease No. 18258, Iberia 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;

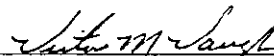
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being an Assignment from Allen & Kirmse, Ltd. to Walter Oil & Gas Corporation, of all of Assignor's right, title and interest in and to State Lease No. 20678, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

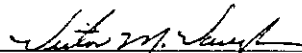
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas & Land Services, LLC to Apache Corporation, of all of Assignor's right, title and interest to State Lease Nos. 20685, 20686, 20687 and 20688, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

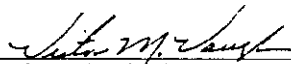
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas & Land Services, LLC to Chevron U.S.A., Inc., of all of Assignor's right, title and interest 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 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas & Land Services, LLC to D.B. Interests L.L.C., of all of Assignor's right, title and interest in and to State Lease No. 20714, Natchitoches Parish, Louisiana, with further particulars being stipulated in the instrument.

D.B. Interests 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 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being an Assignment from Forest Oil Corporation, an undivided interest to the following in the proportions set out below

Venture Partners, Ltd	12 50%
Goodrich Land & Energy, L L C	6 25%
HGFLT, L L C	6 25%
Fielding L. Cocke	8 33%
Magnolia 23 Properties, L L C	8 33%
Tamara C Jenkins	8 34%
Forest Oil Corporation	20 00%

in and to Operating Agreement "A0310", Iberia Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** from the surface to the base of the Discorbis 3 Sand, the base which is found at a depth of 11,918' in the LLOG-Goodrich #1 Well (SN 216757), **AND** an Assignment from Forest Oil Corporation, an undivided interest to the following in the proportions set out below

Venture Partners, Ltd	12 50%
Goodrich Land & Energy, L L C.	6 25%
HGFLT, L L C.	6 25%
Fielding L. Cocke	8 33%
Magnolia 23 Properties, L L C	8 33%
Tamara C Jenkins	8 34%
Forest Oil Corporation	36 2925%
Callon Offshore Production, Inc	13 7075%

in and to Operating Agreement "A0310", Iberia Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to below the base of the Discorbis 3 Sand, the base of which is found at a depth of 11,918' in the LLOG-Goodrich #1 Well (SN 216757), to the stratigraphic equivalent of 14,908' as seen in the Hodges B-1 well (SN 145987), **AND** an Assignment from Forest Oil Corporation, an undivided interest to the following in the proportions set out below

Venture Partners, Ltd	12 50%
Goodrich Land & Energy, L L C	6 25%
HGFLT, L L C	6 25%
Fielding L. Cocke	8 33%
Magnolia 23 Properties, L L C	8 33%
Tamara C Jenkins	8 34%
Forest Oil Corporation	13 7075%
Callon Offshore Production, Inc	13 7075%
ExxonMobil Corporation	22 585%

in and to Operating Agreement "A0310", Iberia Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to all depths below the stratigraphic equivalent of 14,908' as seen in the Hodges B-1 Well (SN145987), with further particulars being stipulated in the instrument

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

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

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

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

3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any 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 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being an Assignment from Forest Oil Corporation, an undivided interest to the following in the proportions set out below

Venture Partners, Ltd	12500000
Goodrich Land & Energy, L.L.C	06250000
HGFLT, L.L.C	06250000
Fielding L. Cocke	08333333
Magnolia 23 Properties, L.L.C	08333333
Tamara C. Jenkins	08333334
Forest Oil Corporation	50000000

in and to State Lease No 2655, Iberia Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** from the surface to the base of the Discorbis 3 Sand, the base of which is found at a depth of 11,918' in the LLOG-Goodrich #1 Well (SN 216757), AND an Assignment from Forest Oil Corporation, an undivided interest to the following in the proportions set out below

Venture Partners, Ltd	12500000
Goodrich Land & Energy, L.L.C	06250000
HGFLT, L.L.C	06250000
Fielding L. Cocke	08333333
Magnolia 23 Properties, L.L.C	08333333
Tamara C. Jenkins	08333334
Forest Oil Corporation	36292500
Callon Offshore Production, Inc	13707500

in and to State Lease No 2655, Iberia Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** from below the base of the Discorbis 3 Sand, the base of which is found at a depth of 11,918' in the LLOG-Goodrich #1 Well (SN 216757), to the stratigraphic equivalent of 14,908' as seen in the Hodges B-1 Well (SN 145987), AND an Assignment from Forest Oil Corporation, an undivided interest to the following in the proportions set out below

Venture Partners, Ltd	12500000
Goodrich Land & Energy, L.L.C	06250000
HGFLT, L.L.C	06250000
Fielding L. Cocke	08333333
Magnolia 23 Properties, L.L.C	08333333
Tamara C. Jenkins	08333334
Forest Oil Corporation	13707500
Callon Offshore Production, Inc	13707500
ExxonMobil Corporation	22585000

in and to State Lease No 2655, Iberia Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to all depths below the stratigraphic equivalent of 14,908' as seen in the Hodges B-1 well (SN 145987), with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from ORX Exploration, Inc. to Dune Properties, Inc., of all of Assignor's right, title and interest in and to State Lease Nos. 214 and 1393, Plaquemines Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said leases cover the lands outlined on the plat attached as Exhibit A-1, and as described by XY coordinates thereon, and **LIMITED TO** depths below 12,000' Subsea, with further particulars being stipulated in the instrument

Dune Properties, 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;

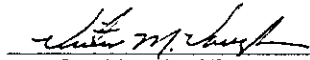
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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.

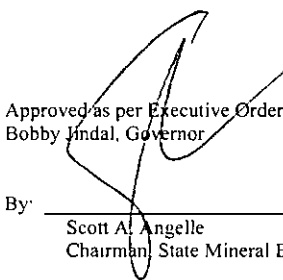
CERTIFICATE

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 11th day of January, 2012, 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

Approved as per Executive Order BJ 2008-10
Bobby Jindal, Governor

By: 

Scott A. Angelle
Chairman, State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Segura 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 January 11, 2012 Meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas & Land Services, LLC to Devon Energy Production Company, L.P., of all of Assignor's right, title and interest in and to State Lease No. 20769, West Feliciana Parish, Louisiana, with further particulars being stipulated in the instrument.

Devon Energy Production Company, 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;

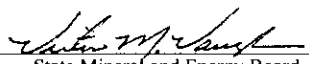
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas & Land Services, LLC to SG-Port Barre, LLC, of all of Assignor's right, title and interest in and to State Lease No. 20554, St. Landry Parish, Louisiana, with further particulars being stipulated in the instrument.

SG-Port Barre, 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,

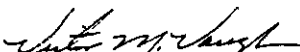
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being a Change of Name whereby J P. Oil Company, Inc. is changing its name to J P. Oil Company, LLC, affecting State Lease Nos. 1466, 2344 and 4218, Acadia and St Landry Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being a Merger whereby Gulf Land & Seismic, Inc. is merging with and into Cameron Land Services, Inc., under the name of Cameron Land Services, Inc., affecting State Lease No. 20577, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

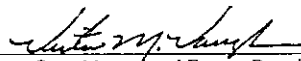
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows.

- 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 11th day of January, 2012, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being an Assignment from AnEm Exploration, Inc. to The Kenney Corporation, an undivided 50% of all of Assignor's right, title and interest in and to State Lease No. 14807, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

Continental Resources, 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,

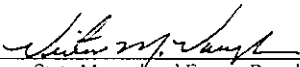
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of January, 2012, 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

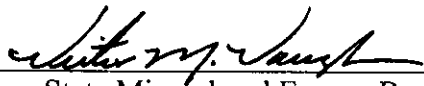
LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Segura, 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 January 11, 2012, Meeting be approved, said instrument being A Correction of Resolution No. 10 from the November 9, 2011 Meeting, being an Assignment from Catapult Exploration, LLC to Walter Oil & Gas Corporation, et al, whereas said resolution incorrectly read.... "Cameron Parish, Louisiana" and is hereby being corrected to read..."Vermilion Parish, Louisiana", affecting State Lease Nos. 20568, 20569 and 20570, Vermilion Parish, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of October, 2011, 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. Segura 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 January 11, 2012 Meeting be approved, said instrument being an Assignment from Panther Bayou Energy, LLC and Panther Bayou Marsh Island Interest II, of all of Assignor's right, title and interest to the following in the proportions set out below

All Aboard Development Corp.	0.2291%
Dynamic Offshore Resources, LLC	5.6468%
Fortune Natural Resources Corporation	1.1863%
Garuda Holdings, LLC	0.0652%
George E. Brower, II/ GEBII Marsh Island 3D Program LLC	0.0552%
JEK Marsh, LLC	0.0552%
Marsh Island, LP	0.1826%
NWP Partners, LLC	0.0276%
The Paul and Cathy Schroeder Family Trust	0.0174%
Paul and Betty Jacobs	0.0261%
RVCKaiser, LLC	0.0552%
Ryan Oil and Gas Partners, LLC	0.0631%
Sundown Energy, Inc	0.3641%
William Thurwachter	0.0261%

in and to State Lease Nos. 19154, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument

Dynamic Offshore Resource, 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,

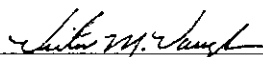
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 11th day of January, 2012, 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. Segura 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. 22 from the January 11, 2012 Meeting be approved, said instrument being an Assignment from Vermilion Bay Exploration, Inc. to Dynamic Offshore Resources, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 19155, 19262, 19269, 19270, 19397, 19804, 19810, 19260, 19298, 19392, 19394, 19799, 19800, 19866, 19870 and 19871, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

Dynamic Offshore Resources, 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;

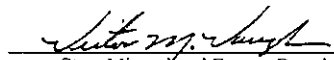
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of January, 2012, 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. Segura 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. 23 from the January 11, 2012 Meeting be approved, said instrument being an Assignment from the State Mineral and Energy Board to B&L Exploration, L.L.C., 50196, LLC, Biloxi Marsh Lands Corporation, Lake Eugenie Land & Development, Inc., Ralaco Ventures, L.L.C., Gulf Production Company, Inc., Gulf Explorer, LLC and Kaiser-Francis Gulf Coast, of any and all claims that the State Mineral and Energy Board has asserted against Polyflow, Inc in the consolidated lawsuits captioned Gulf Production Company Inc., et al v. Hoover Oilfield Supply Inc., et al, No 08-5116 c/w 09-104, 09-2779, United State District Court, Eastern District of 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,

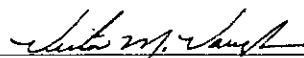
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 11th day of January, 2012, 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. Segura 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. 24 from the January 11, 2012 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from Phoenix Exploration Company LP, Phoenix Exploration Louisiana B LLC, Phoenix Exploration C LLC and Phoenix Exploration D LLC, of all of Assignor's right, title and interest to the following in the proportions set out below

Apache Corporation	75%
Castex Energy Partners L.P.	25%

in and to State Lease Nos. 340, 2366, 2585, 2620, 3184, 3185, 3586, 3909, 13559, 13759, 16363, 16364, 16510, 16511, 16705, 16942, 16943, 16970, 18380, 19963, 19964, 20035, 20219, 20220, 20221, 20222, 20223, 20224, 20367, 20368, 20369, 20523, 20524, 20525, 20526, 20527, 20528, 20529, 20530, 20531 and 20534, Cameron, Jefferson Davis, Plaquemines, St. Mary, Terrebonne and Vermilion Parishes, Louisiana, with further particulars being stipulated in the instrument

Hunt Oil Company is designated as the joint account Lessee (contact person) for State Lease Nos. 13559 and 13759 pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

Clayton Williams Energy, Inc. is designated as the joint account Lessee (contact person) for State Lease Nos. 19963 and 19964 pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

Apache Corporation is designated as the joint account Lessee (contact person) for State Lease Nos. 340, 2366, 2585, 2620, 3184, 9185, 3586, 3909, 16510, 16511, 16705, 16942, 16943, 16970, 20035, 20219, 20220, 20222, 20523, 20524, 20525, 20526 and 20527 pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

Merit Energy Company is designated as the joint account Lessee (contact person) for State Lease Nos. 16363 and 16364 pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

Castex Energy Partners LP is designated as the joint account Lessee (contact person) for State Lease Nos. 20221, 20223, 20224, 20367, 20368, 20369, 20528, 20529, 20530, 20531 and 20534 pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

PetroQuest Energy LLC is designated as the joint account Lessee (contact person) for State Lease No. 18380 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 11th day of January, 2012, 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

Approved as per Executive Order BJ 2008-10
Bobby Jindal, Governor

By _____
Scott A. Angelle
Chairman, State Mineral Board

State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD


On motion of Mr. Segura, 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. 12-01 from the January 11, 2012, Meeting be approved, said instrument being a Lease Extension Agreement presented by Harvest Oil & Gas, LLC, whereas said party desires to extend their respective primary terms for an additional year in consideration of a full bonus payment on each lease and an increase of 0.5% royalty on each lease, with an option to further extend the primary term for an additional year in consideration of the payment of a full bonus on each lease only, affecting State Lease Nos. 19967, 19968, 19969 and 19971, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of January, 2012 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

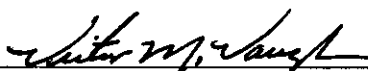
On motion of Mr. Segura, seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12-02 from the January 11, 2012, Meeting be approved, said instrument being an Operating Agreement presented by and between the State Mineral and Energy Board and XPLOR Energy Operating, Co., to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 15% before payout, increasing to 18% after payout, in and to the Operating Tract, whereas Operator desires and intends to re-establish production from the SL1480 No. 2 (SN 224584), containing 73.56523 acres, more or less, covering a portion of Former State Lease No. 1480, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of January, 2012 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

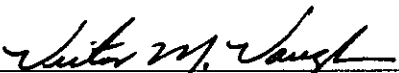
On motion of Mr. Segura, seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12-03 from the January 11, 2012, Meeting be approved, said instrument being a Deferred Gas Production Agreement presented by Dynamic Offshore Resources, LLC, et al, by which royalty gas from the State Lease Well 19731 No. 1 (SN 240386) be deferred pending effort to obtain an interstate market therefor, affecting State Lease Nos. 19299, 19411, 19731 and 19746, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of January, 2012 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. Segura, 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. 12-04 from the January 11, 2012, Meeting be approved, said instrument being an Amendment of Deferred Gas Production Agreement presented by Dynamic Offshore Resources, LLC, et al, to suspend the Deferred Gas Production Agreement approved by the State Mineral Board on January 11, 2012, and to thereby authorize Dynamic Offshore Resources, LLC, et al, to commence the marketing of the State's royalty gas in interstate commerce to Chevron Natural Gas, a division of Chevron U.S.A. Inc., for a period of 720 days effective from the first day of production from the State Lease Well 19731 No. 1 (SN 240386), affecting State Lease Nos. 19299, 19477, 19731 and 19746, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of January, 2012 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

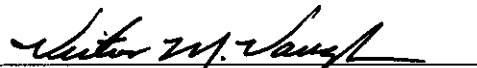
On motion of Mr. Segura, seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12-05 from the January 11, 2012, Meeting be approved, said instrument being a Deferred Gas Production Agreement presented by Dynamic Offshore Resources, LLC, et al, by which royalty gas from the State Lease Well 19269 No. 2 (SN 240836) be deferred pending effort to obtain an interstate market therefor, affecting State Lease No. 19269, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of January, 2012 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. Segura, 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. 12-06 from the January 11, 2012, Meeting be approved, said instrument being an Amendment of Deferred Gas Production Agreement presented by Dynamic Offshore Resources, LLC, et al, to suspend the Deferred Gas Production Agreement approved by the State Mineral Board on January 11, 2012, and to thereby authorize Dynamic Offshore Resources, LLC, et al, to commence the marketing of the State's royalty gas in interstate commerce to Chevron Natural Gas, a division of Chevron U.S.A. Inc., for a period of 720 days effective from the first day of production from the State Lease Well 19269 No. 2 (SN 240836), affecting State Lease No. 19269, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 11th day of January, 2012 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.



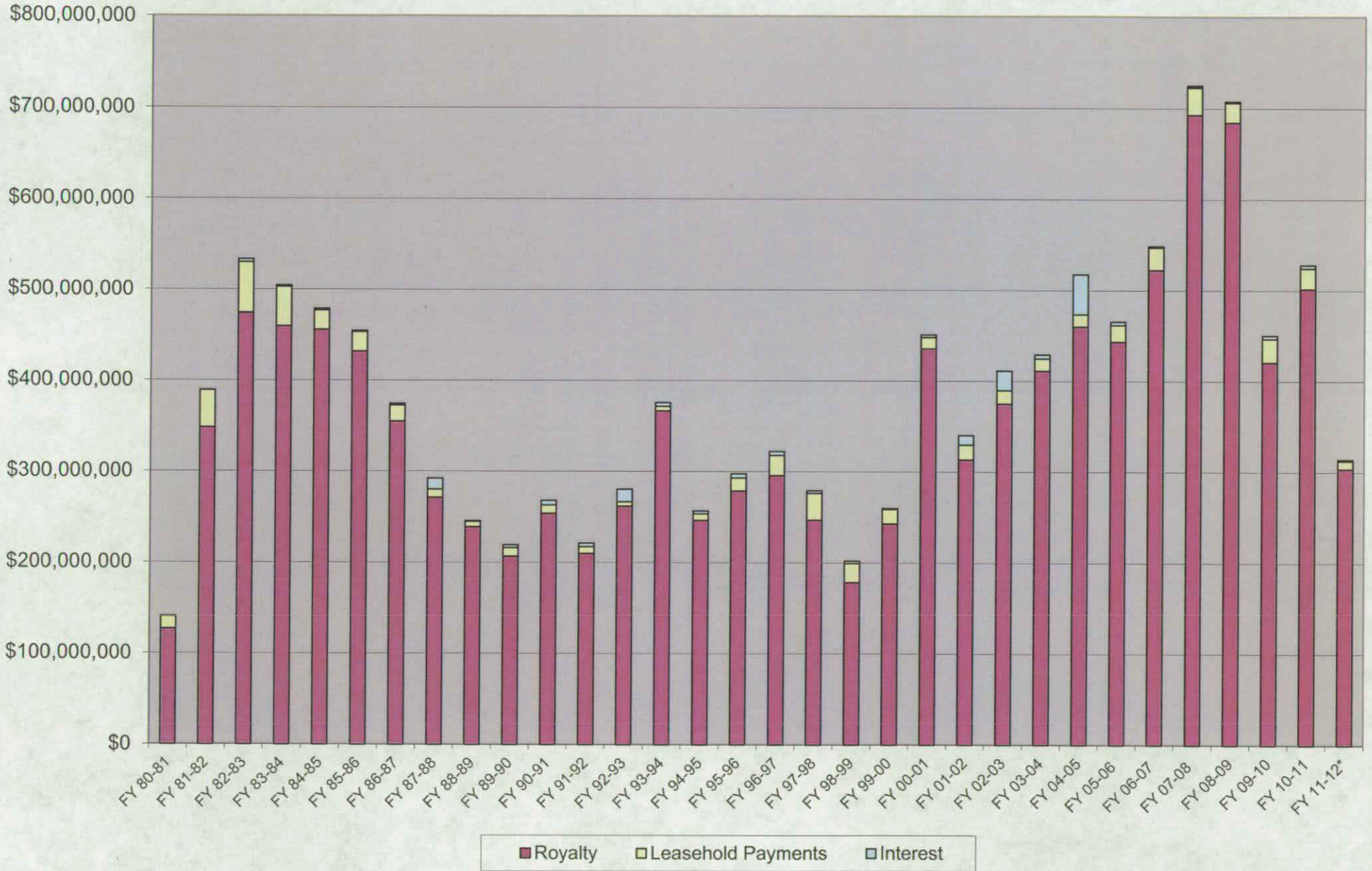
State Mineral and Energy Board



Office of Mineral Resources Mineral and Energy Board Meeting

January 11, 2012

Historical Cash Receipts

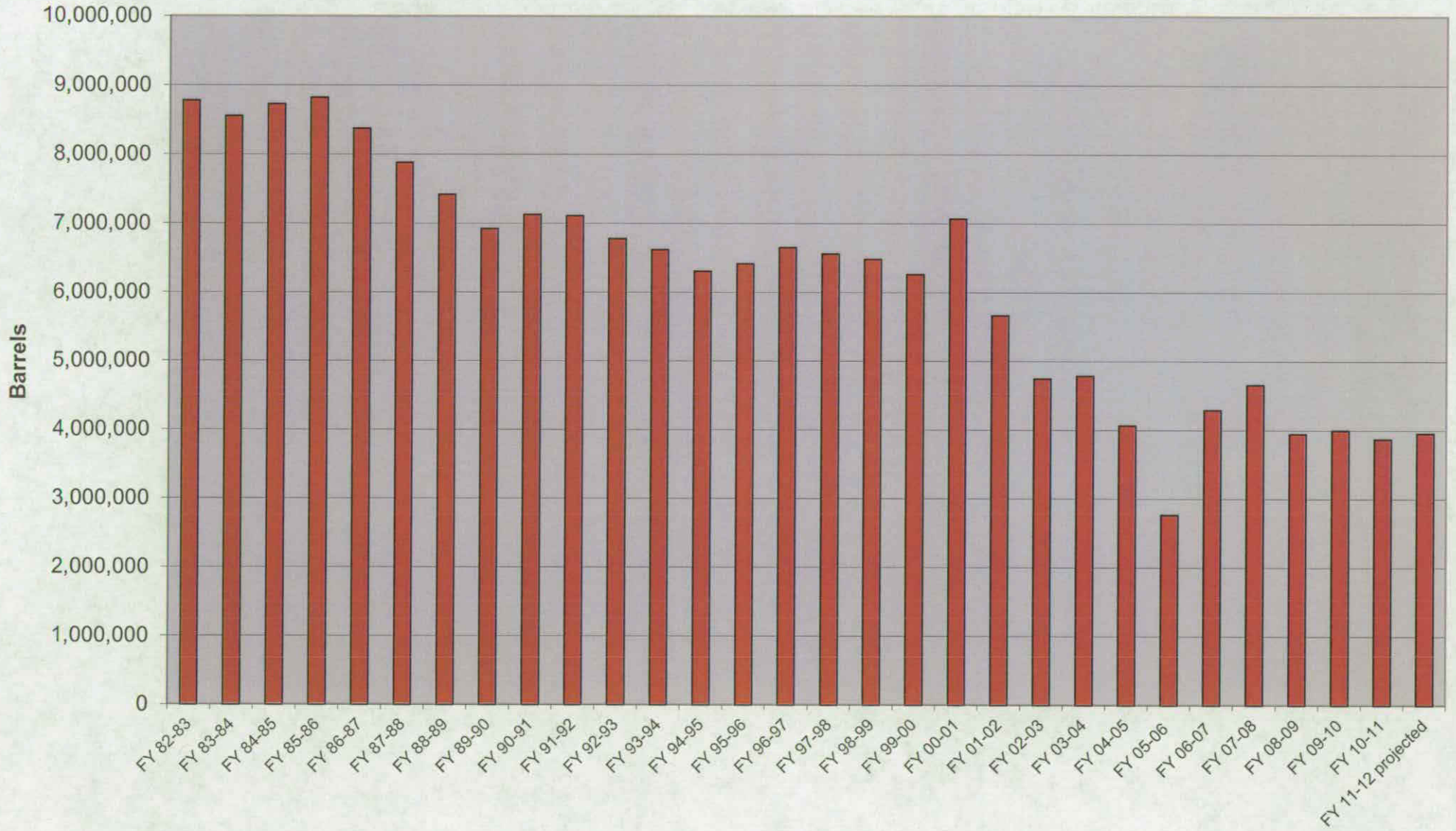


Historical Cash Receipts

	<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*	\$13,266,529	\$303,522,304	\$9,029,530	\$1,541,864	\$327,360,227	\$109,120,076
	\$1,446,204,502	\$11,513,190,877	\$598,872,487	\$172,478,903	\$13,730,746,769	
% of Total	11%	84%	4%	1%		

*Fiscal Year 11-12 includes July 2011 through December 2011

Historical Oil Production

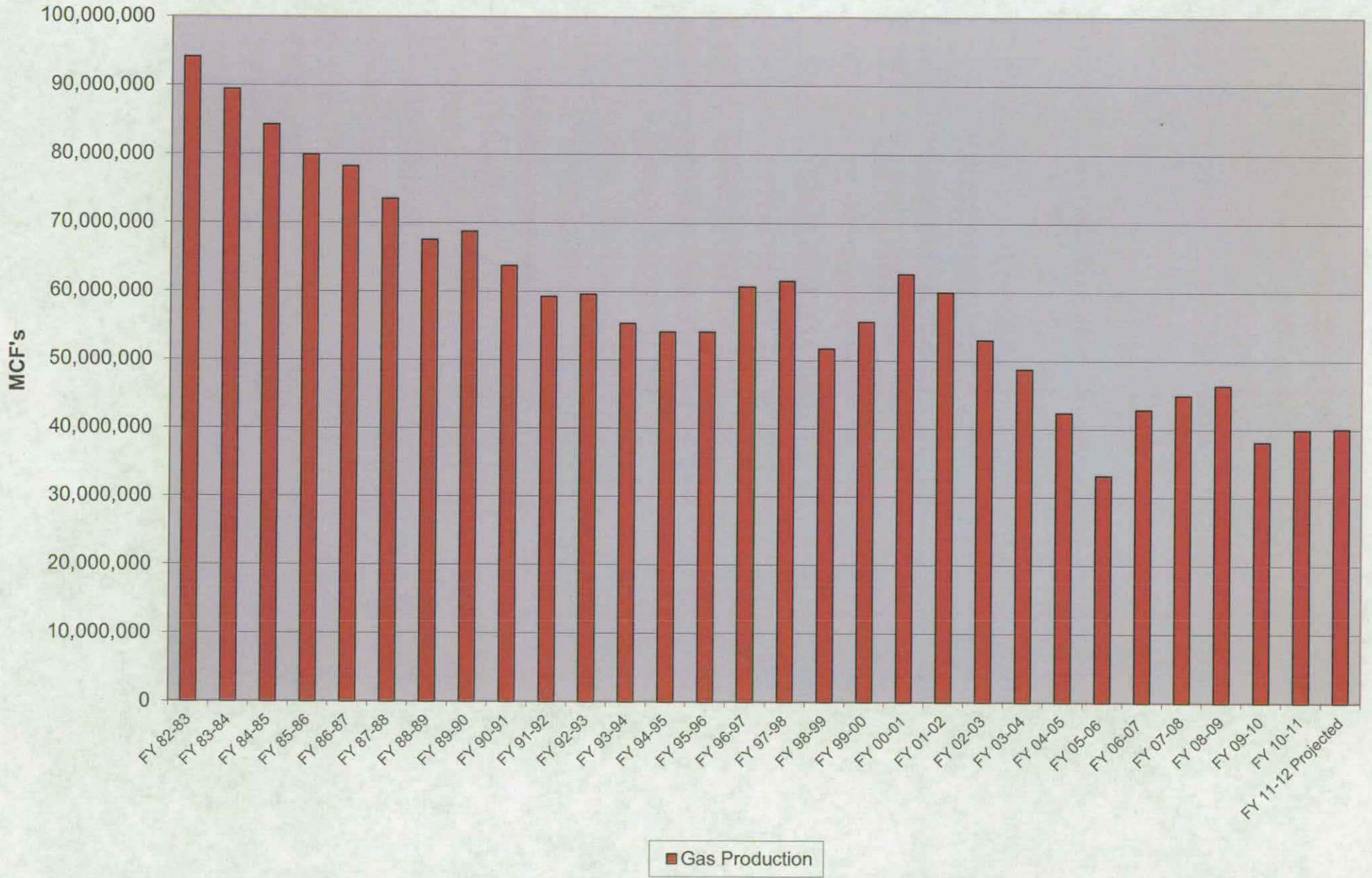


Oil Production

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	3,946,050
FY 09-10	3,997,113
FY 10-11	3,873,299
FY 11-12 projected	3,957,574
	185,682,310
% of Total	2%

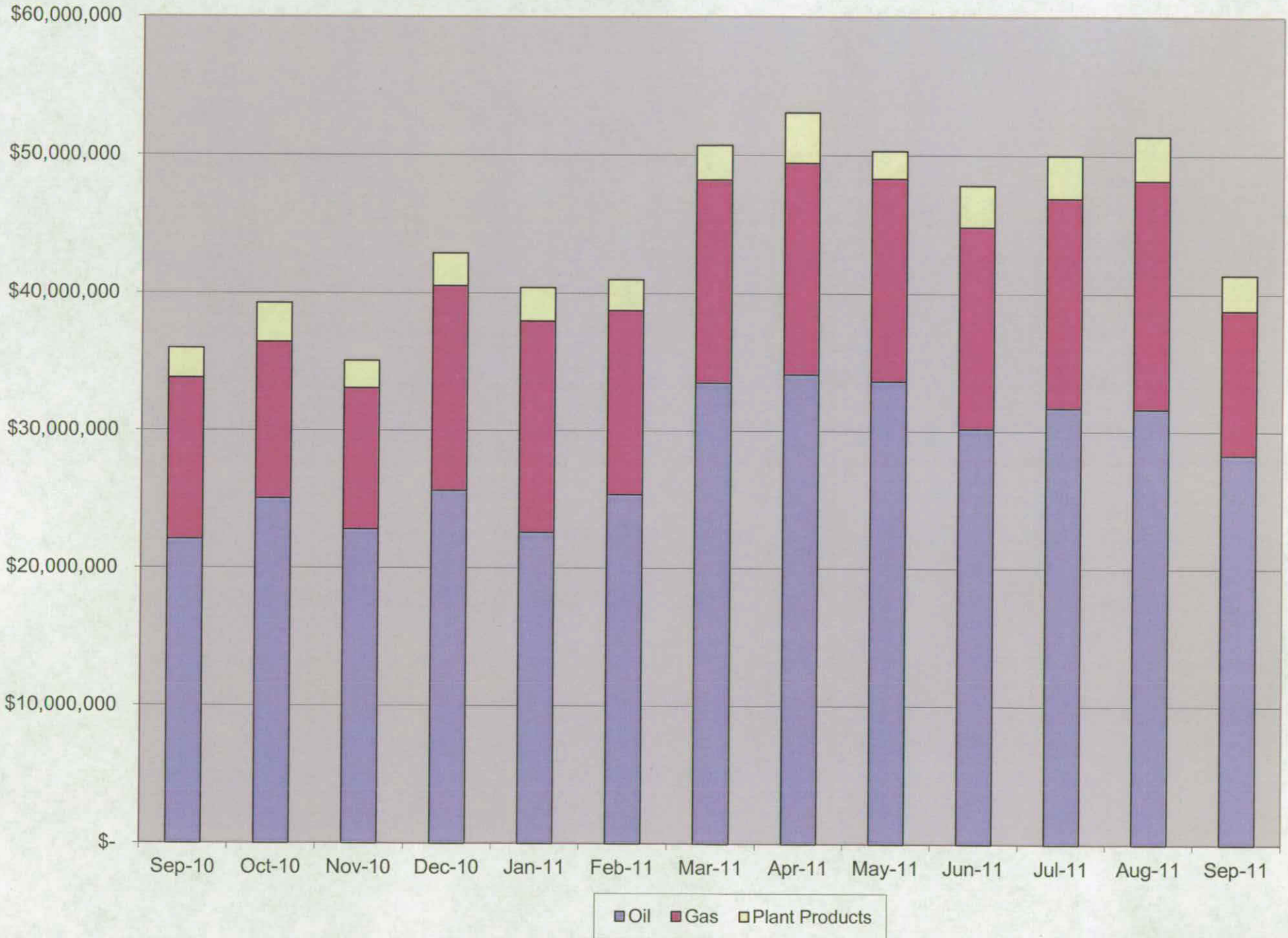
Historical Gas Production



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	46,392,655
FY 09-10	38,136,125
FY 10-11	39,947,638
FY 11-12 Projected	40,077,427
	1,724,202,434
% of Total	2%

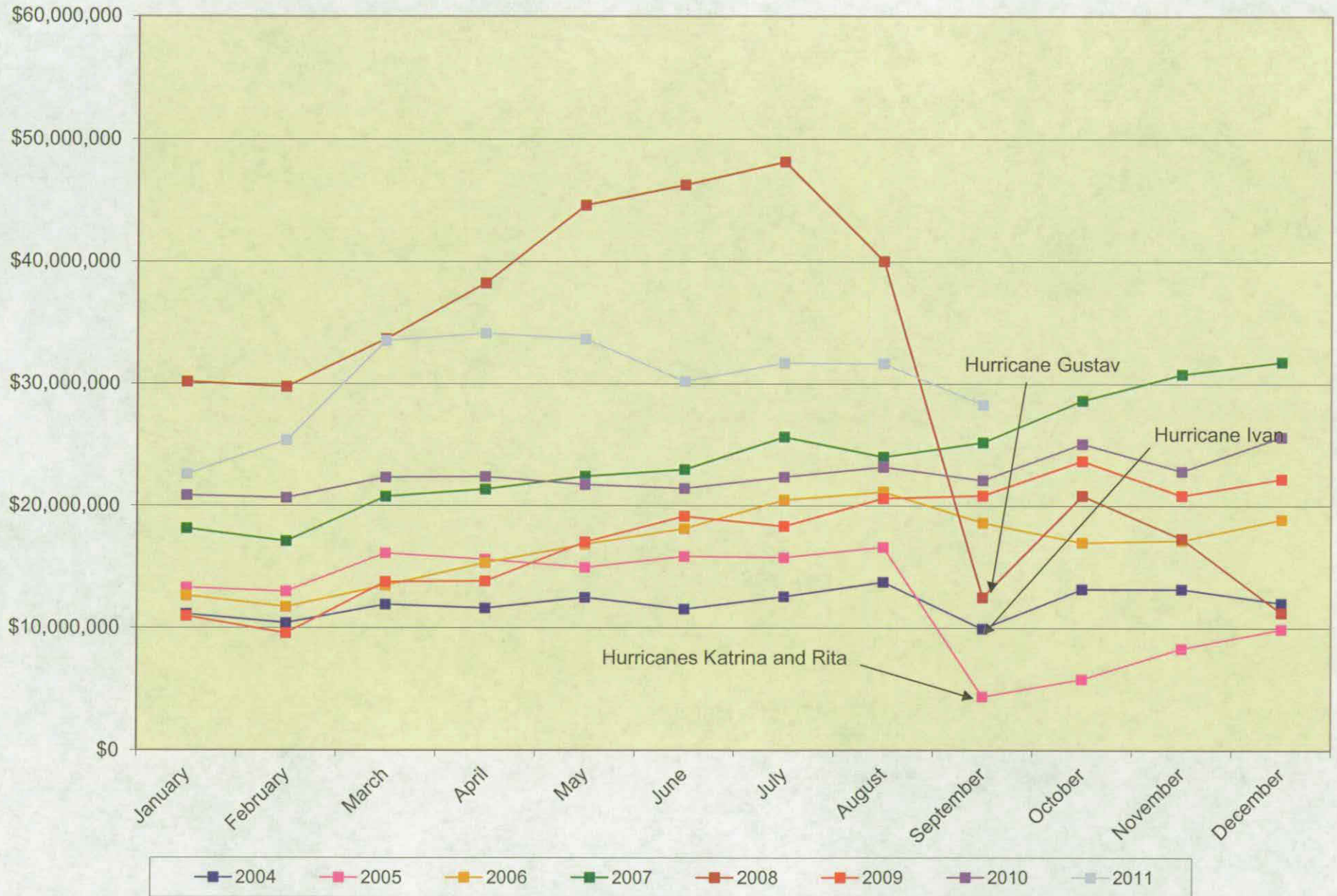
Royalty Collections by Disposition Month



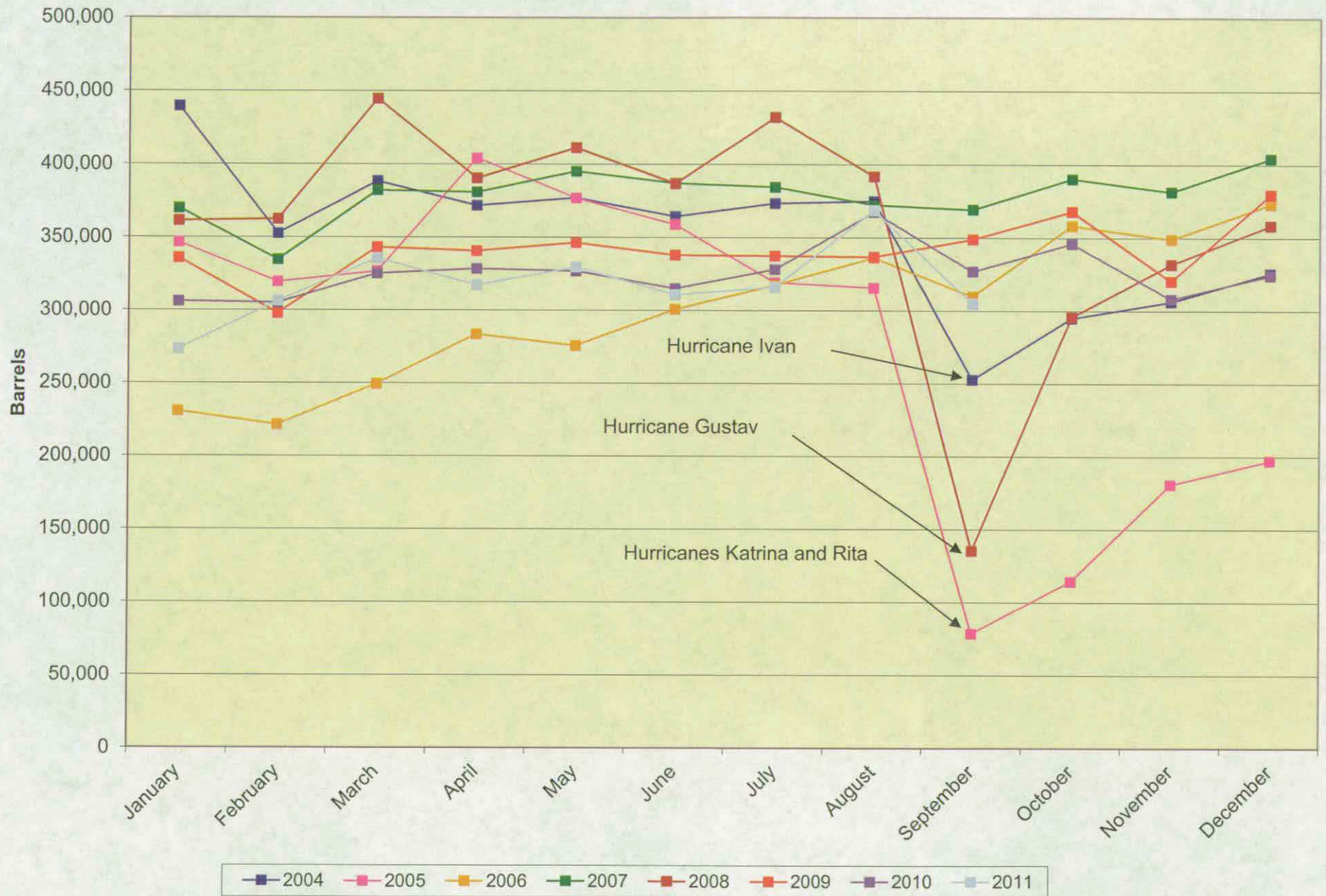
Royalty Collections by Disposition Month

<u>Disposition Month</u>	<u>Oil</u>	<u>Gas</u>	<u>Plant Products</u>	<u>Total</u>
September 2010	22,096,006.85	11,724,090.47	2,173,582.49	35,993,679.81
October 2010	25,076,527.39	11,368,398.56	2,826,046.70	39,270,972.65
November 2010	22,832,276.24	10,256,662.36	1,992,140.45	35,081,079.05
December 2010	25,639,182.47	14,885,182.01	2,376,308.56	42,900,673.04
January 2011	22,605,436.33	15,362,930.19	2,430,586.43	40,398,952.95
February 2011	25,369,851.79	13,381,115.78	2,238,769.87	40,989,737.44
March 2011	33,509,648.68	14,724,709.65	2,487,192.66	50,721,550.99
April 2011	34,111,245.53	15,341,312.68	3,621,249.44	53,073,807.65
May 2011	33,650,228.35	14,668,411.68	2,007,915.17	50,326,555.20
June 2011	30,185,621.71	14,640,670.46	3,015,746.73	47,842,038.90
July 2011	31,693,520.56	15,233,762.04	3,072,521.39	49,999,803.99
August 2011	31,640,673.32	16,578,738.22	3,196,436.65	51,415,848.19
September 2011	28,279,642.66	10,513,378.31	2,594,751.83	41,387,772.80
Total	\$ 366,689,861.88	\$ 178,679,362.41	\$ 34,033,248.37	\$ 579,402,472.66
% of Total	63%	31%	6%	-

Oil Royalty by Disposition Month



Oil Volume by Disposition Month

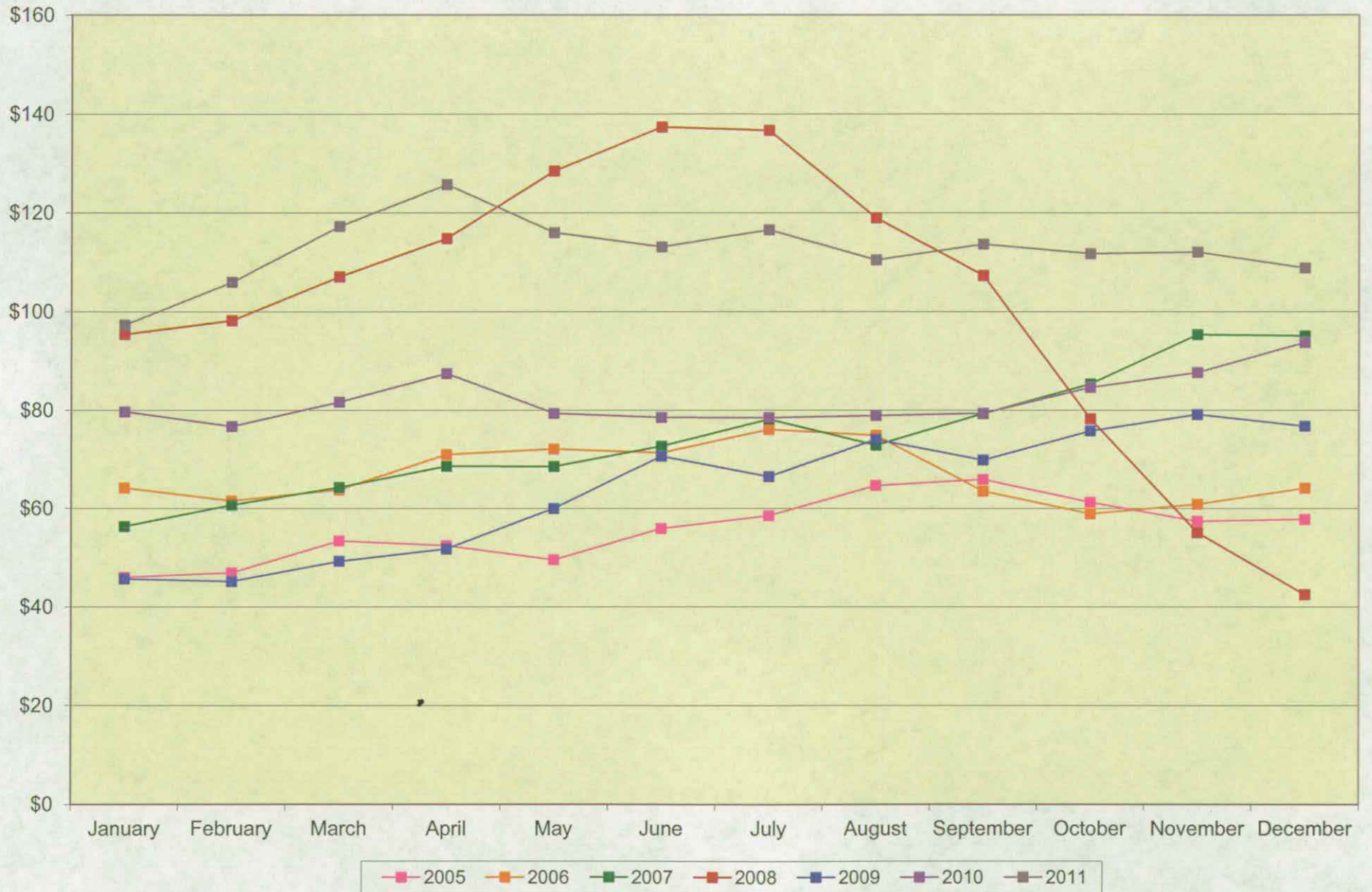


Oil Volume by Disposition Month

<u>Disposition Month</u>	<u>Barrels</u>
January 2004	439,528.9609
February 2004	352,554.1807
March 2004	388,250.3056
April 2004	371,664.9497
May 2004	376,944.4191
June 2004	364,373.3908
July 2004	373,376.3670
August 2004	374,957.0454
September 2004	252,648.3494
October 2004	294,836.0875
November 2004	306,161.9020
December 2004	325,615.3498
January 2005	346,534.8170
February 2005	319,401.7647
March 2005	326,574.1954
April 2005	404,282.7275
May 2005	376,916.3110
June 2005	358,886.3852
July 2005	319,254.6372
August 2005	315,616.4399
September 2005	78,702.6983
October 2005	114,538.4508
November 2005	180,921.8969
December 2005	197,290.8761
January 2006	230,553.1412
February 2006	221,290.4591
March 2006	249,233.3520
April 2006	283,338.5046
May 2006	275,598.7558
June 2006	300,658.2834
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	335,690.2068
February 2009	297,635.3539
March 2009	342,987.2814
April 2009	340,569.2961
May 2009	346,303.8401
June 2009	337,819.6782
July 2009	337,422.9665
August 2009	336,789.0149
September 2009	348,935.3668
October 2009	367,890.8187
November 2009	320,276.6078
December 2009	379,669.9106
January 2010	305,922.1237
February 2010	305,028.3819
March 2010	325,053.6230
April 2010	328,335.3225
May 2010	326,859.6305
June 2010	314,929.1971
July 2010	328,198.0381
August 2010	367,403.9377
September 2010	326,897.1654
October 2010	345,930.0523
November 2010	308,099.2756
December 2010	324,201.7426
January 2011	273,304.2060
February 2011	306,268.7029
March 2011	335,554.1397
April 2011	317,150.9373
May 2011	329,628.5243
June 2011	310,672.3852
July 2011	315,976.0396
August 2011	368,613.5095
September 2011	304,803.8441

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

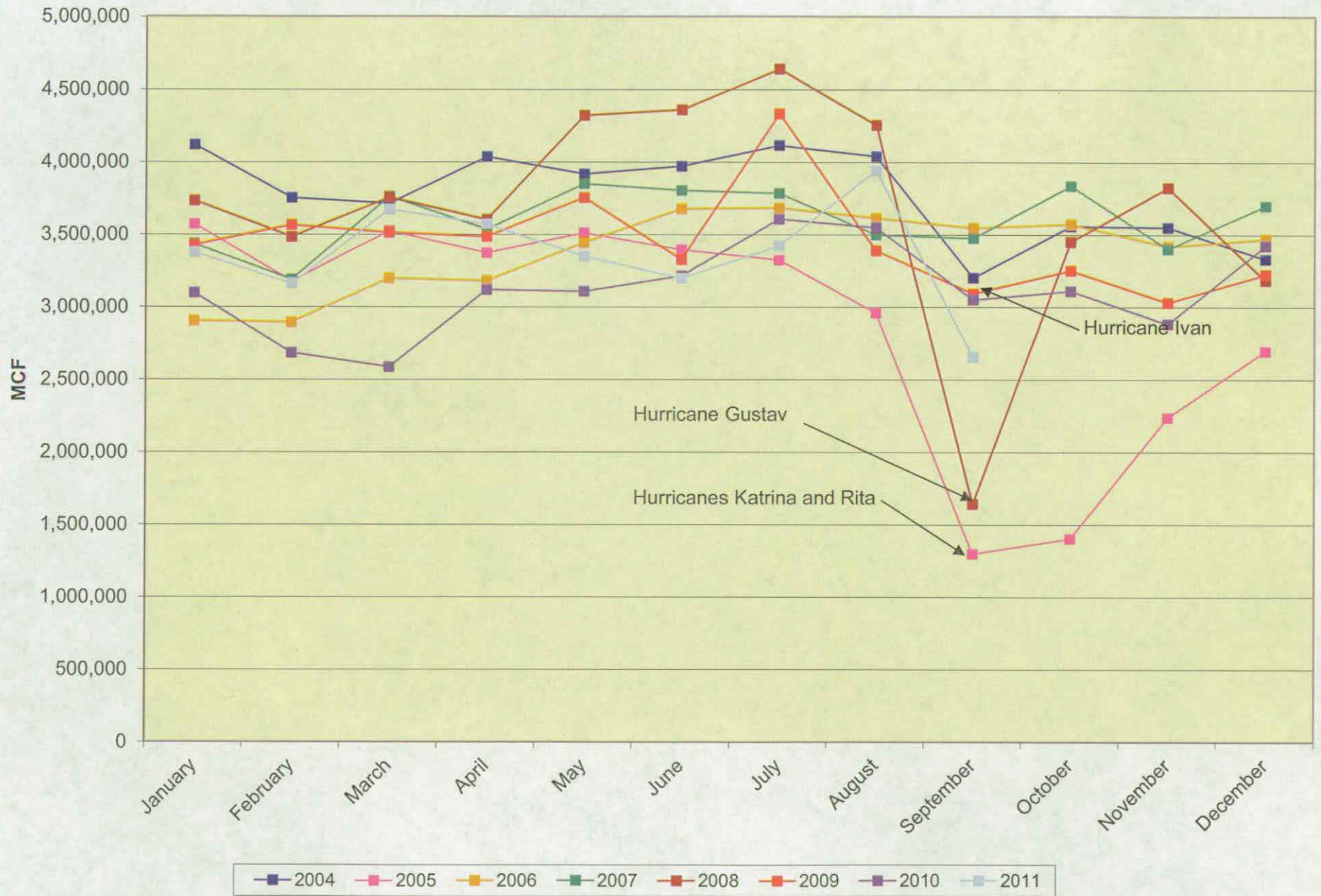
Jan-04	\$34.66
Feb-04	\$34.05
Mar-04	\$36.60
Apr-04	\$35.80
May-04	\$39.28
Jun-04	\$37.15
Jul-04	\$40.24
Aug-04	\$44.32
Sep-04	\$45.81
Oct-04	\$53.46
Nov-04	\$47.33
Dec-04	\$42.28
Jan-05	\$46.02
Feb-05	\$46.94
Mar-05	\$53.42
Apr-05	\$52.46
May-05	\$49.59
Jun-05	\$55.94
Jul-05	\$58.53
Aug-05	\$64.67
Sep-05	\$65.93
Oct-05	\$61.29
Nov-05	\$57.41
Dec-05	\$57.81
Jan-06	\$64.11
Feb-06	\$61.49
Mar-06	\$63.76
Apr-06	\$70.92
May-06	\$72.06
Jun-06	\$71.31
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	\$95.36
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
Jan-11	\$97.26
Feb-11	\$105.95
Mar-11	\$117.25
Apr-11	\$125.72
May-11	\$116.01
Jun-11	\$113.12
Jul-11	\$116.56
Aug-11	\$110.49
Sep-11	\$113.68
Oct-11	\$111.75
Nov-11	\$112.07
Dec-11	\$108.85

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

Gas Royalty by Disposition Month



Gas Volume by Disposition Month

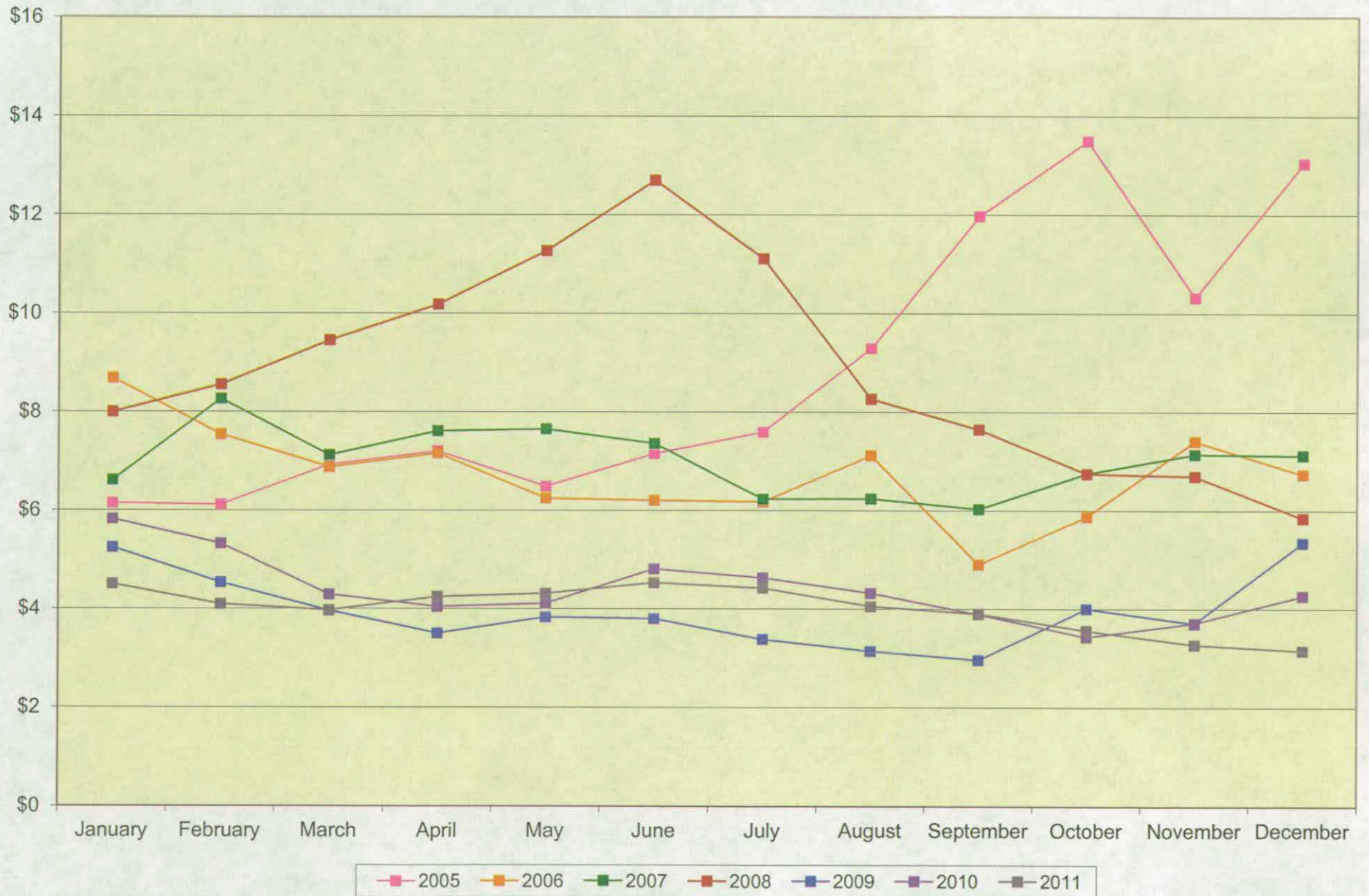


Gas Volume by Disposition Month

<u>Disposition Month</u>	<u>MCF</u>
January 2004	4,116,851 7031
February 2004	3,751,396 3749
March 2004	3,712,684 6945
April 2004	4,034,822 4874
May 2004	3,916,088 2692
June 2004	3,969,900 0143
July 2004	4,113,654 6443
August 2004	4,039,039 5326
September 2004	3,203,047 0172
October 2004	3,557,609 2440
November 2004	3,549,434 2038
December 2004	3,331,205 6308
January 2005	3,572,292 7624
February 2005	3,179,408 8827
March 2005	3,524,675 3742
April 2005	3,373,989 9785
May 2005	3,512,440 4707
June 2005	3,396,830 1710
July 2005	3,326,464 2787
August 2005	2,962,636 1525
September 2005	1,299,470 4761
October 2005	1,403,319 1284
November 2005	2,238,950 7428
December 2005	2,696,394 9614
January 2006	2,903,605 4539
February 2006	2,893,564 0591
March 2006	3,195,937 8564
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	3,823,645 4159
December 2008	3,184,282 9858
January 2009	3,426,258 6580
February 2009	3,563,563 7984
March 2009	3,511,578 5444
April 2009	3,484,200 4939
May 2009	3,753,229 2499
June 2009	3,327,678 7089
July 2009	4,332,035 0438
August 2009	3,390,212 9188
September 2009	3,094,048 3743
October 2009	3,252,455 7003
November 2009	3,030,937 8580
December 2009	3,224,516 8298
January 2010	3,098,016 7634
February 2010	2,684,735 5631
March 2010	2,586,520 8440
April 2010	3,119,146 5201
May 2010	3,107,919 6997
June 2010	3,215,578 8040
July 2010	3,606,809 1256
August 2010	3,548,478 3785
September 2010	3,051,607 8097
October 2010	3,111,615 8890
November 2010	2,882,758 2351
December 2010	3,421,951 7112
January 2011	3,375,562 1218
February 2011	3,160,531 0564
March 2011	3,671,020 8399
April 2011	3,570,094 2529
May 2011	3,349,170 4186
June 2011	3,198,038 1552
July 2011	3,422,480 7472
August 2011	3,941,256 0510
September 2011	2,655,619 9054

Natural Gas Prices

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

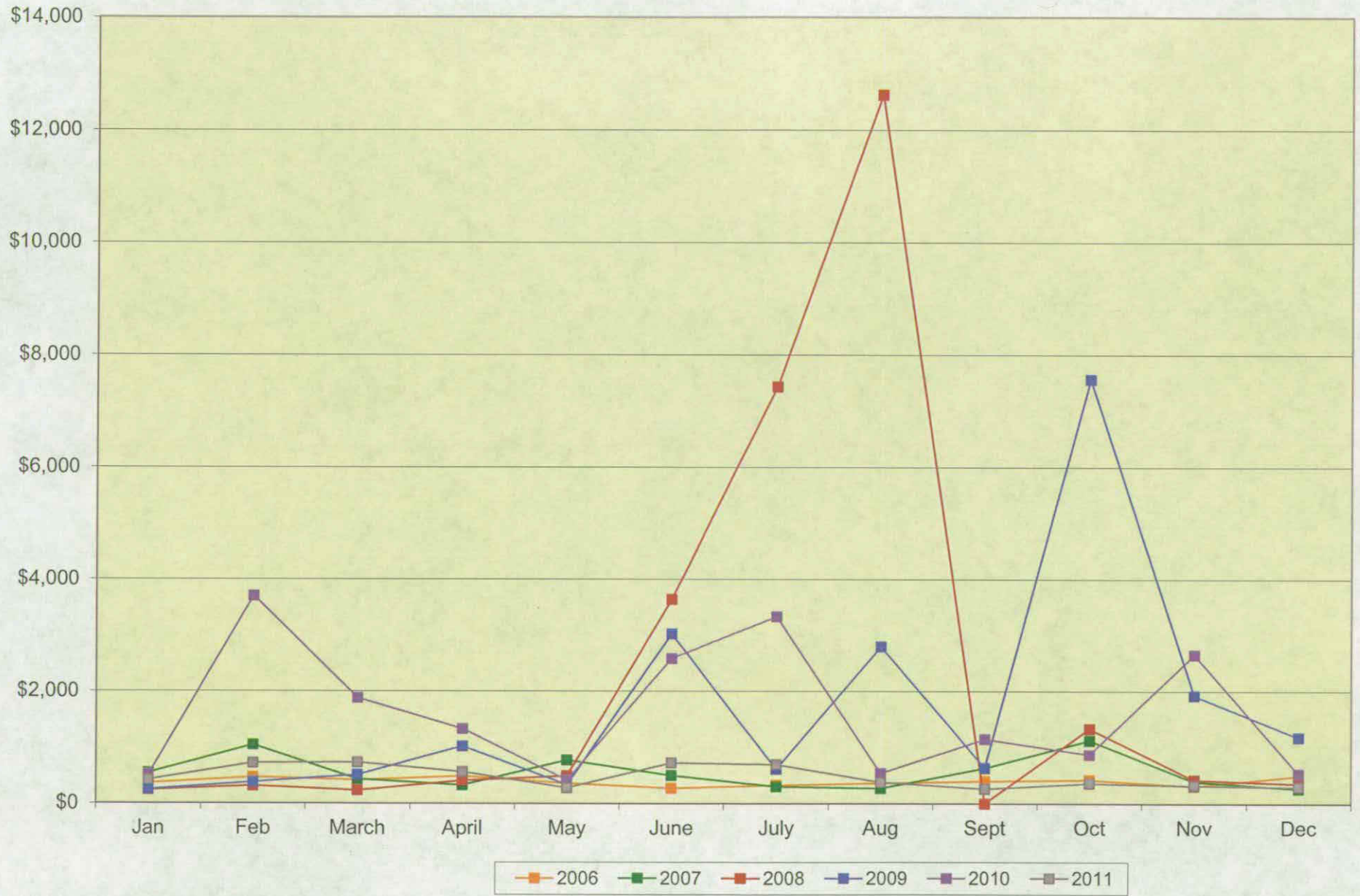


Monthly Average Gas Prices

Jan-04	\$6 1581
Feb-04	\$5.3982
Mar-04	\$5.3784
Apr-04	\$5.7004
May-04	\$6 3000
Jun-04	\$6 2916
Jul-04	\$5 9325
Aug-04	\$5 4506
Sep-04	\$5 0832
Oct-04	\$6 3392
Nov-04	\$6 1481
Dec-04	\$6 6166
Jan-05	\$6 1431
Feb-05	\$6 1124
Mar-05	\$6.9229
Apr-05	\$7.2004
May-05	\$6 4880
Jun-05	\$7 1507
Jul-05	\$7 5910
Aug-05	\$9.2947
Sep-05	\$11 9823
Oct-05	\$13 5015
Nov-05	\$10.3271
Dec-05	\$13 0519
Jan-06	\$8 6780
Feb-06	\$7.5332
Mar-06	\$6.8700
Apr-06	\$7.1500
May-06	\$6 2400
Jun-06	\$6 2000
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	\$12 700
Jul-08	\$11.110
Aug-08	\$8 260
Sep-08	\$7 640
Oct-08	\$6.740
Nov-08	\$6 690
Dec-08	\$5 840
Jan-09	\$5 240
Feb-09	\$4 530
Mar-09	\$3 960
Apr-09	\$3.500
May-09	\$3 830
Jun-09	\$3 800
Jul-09	\$3.380
Aug-09	\$3.140
Sep-09	\$2 960
Oct-09	\$4.000
Nov-09	\$3.700
Dec-09	\$5 340
Jan-10	\$5 820
Feb-10	\$5 320
Mar-10	\$4 290
Apr-10	\$4.040
May-10	\$4 110
Jun-10	\$4.810
Jul-10	\$4 630
Aug-10	\$4 320
Sep-10	\$3 890
Oct-10	\$3 430
Nov-10	\$3.710
Dec-10	\$4 260
Jan-11	\$4 500
Feb-11	\$4 090
Mar-11	\$3.970
Apr-11	\$4.240
May-11	\$4 310
Jun-11	\$4 530
Jul-11	\$4 420
Aug-11	\$4 050
Sep-11	\$3 900
Oct-11	\$3 560
Nov-11	\$3 270
Dec-11	\$3 150

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

Price Per Acre



As of December 14, 2011 Lease Sale

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

Month	No. of Tracts	No. of Acres	No. of Tracts	% of Nominated	No. of Leases	No. of Acres	Total Bonuses	Price Per
	Nominated	Nominated	with Bids	Tracts with Bids		Leased		Acres
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	2,864,918.74	\$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	2,774,369.98	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

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

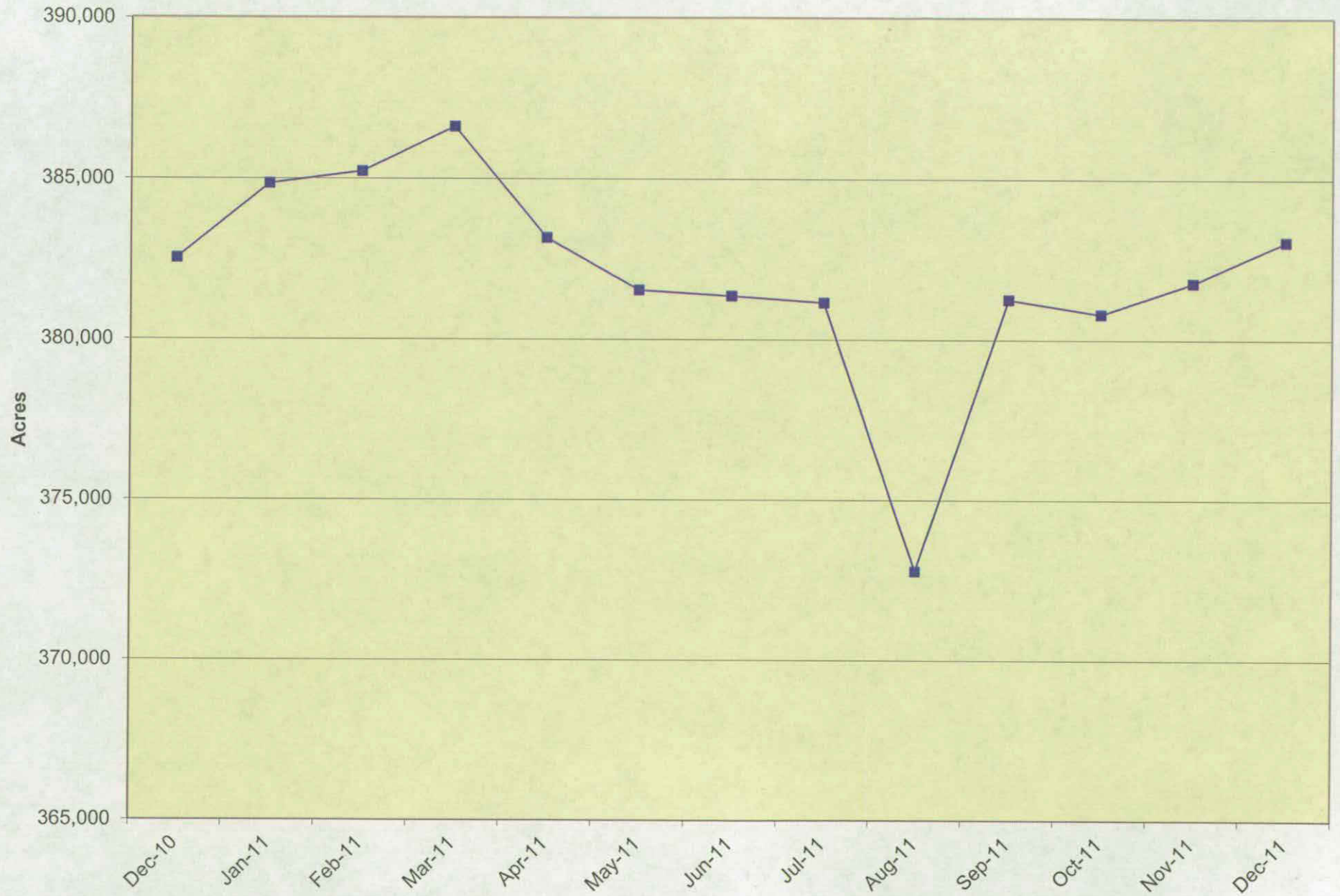
State Acreage Under Lease



State Acreage Under Lease

<u>Month/Year</u>	<u>Acreage</u>
January 2004	970,647
February 2004	970,566
March 2004	973,551
April 2004	967,958
May 2004	974,311
June 2004	978,972
July 2004	977,175
August 2004	979,727
September 2004	981,595
October 2004	981,936
November 2004	983,547
December 2004	982,793
January 2005	977,687
February 2005	987,060
March 2005	989,296
April 2005	985,526
May 2005	986,287
June 2005	984,084
July 2005	991,395
August 2005	993,569
September 2005	999,285
October 2005	1,001,031
November 2005	999,714
December 2005	1,000,881
January 2006	997,605
February 2006	1,012,059
March 2006	1,010,201
April 2006	1,014,111
May 2006	1,019,784
June 2006	1,007,301
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
January 2011	832,686
February 2011	830,312
March 2011	841,244
April 2011	835,606
May 2011	838,805
June 2011	837,030
July 2011	840,695
August 2011	827,487
September 2011	838,284
October 2011	841,468
November 2011	842,874
December 2011	850,934

Productive Acres



Productive Acres

<u>Month/Year</u>	<u>Acres</u>
December 2010	382,530
January 2011	384,839
February 2011	385,221
March 2011	386,613
April 2011	383,160
May 2011	381,538
June 2011	381,360
July 2011	381,156
August 2011	372,779
September 2011	381,254
October 2011	380,799
November 2011	381,773
December 2011	383,054