

MINUTES

STATE MINERAL AND ENERGY BOARD

REGULAR MEETING AND LEASE SALE

JULY 13, 2016

THE FOLLOWING OPENING OF SEALED
BIDS MEETING MINUTES, COMMITTEE
REPORTS AND RESOLUTIONS WERE
MADE A PART OF THE **JULY 13, 2016**
STATE MINERAL AND ENERGY BOARD
REGULAR MEETING AND LEASE SALE
MINUTES BY REFERENCE

STATE MINERAL AND ENERGY BOARD
MINUTES - OPENING OF BIDS
JULY 13, 2016

A public meeting for the purpose of opening sealed bids was held on Wednesday, June 8, 2016, beginning at 8:50 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

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

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

July 13, 2016

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

Ladies and 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. 44567 through 44568, have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended.

Yours very truly,

(Original signed)

Emile Fontenot
Assistant Director
Petroleum Lands Division

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

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

INLAND TRACTS

Tract 44567
(Portion – 14.000 acres)

Bidder	:	Merlin Oil & Gas, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$3,150.00
Annual Rental	:	\$1,575.00
Royalties	:	23.500% on oil and gas
	:	23.500% on other minerals
Additional Consideration	:	None

Tract 44567
(Portion – 14.000 acres)

Bidder	:	Merlin Oil & Gas, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$3,850.00
Annual Rental	:	\$1,925.00
Royalties	:	21.500% on oil and gas
	:	21.500% on other minerals
Additional Consideration	:	None

Tract 44568
(Portion – 280.000 acres)

Bidder	:	Wapiti Operating, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$56,000.00
Annual Rental	:	\$28,000.00
Royalties	:	21.000% on oil and gas
	:	21.000% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 8:57 a.m.

Respectfully submitted,



Victor M. Vaughn
Executive Officer
State Mineral and Energy Board

STATE MINERAL AND ENERGY BOARD

REGULAR MEETING AND LEASE SALE MINUTES

JULY 13, 2016

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on **Wednesday, July 13, 2016**, beginning at 12:06 p.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

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

Thomas L. Arnold, Jr., Chairman
W. Paul Segura, Jr., Vice-Chairman
Thomas F. Harris, DNR Secretary
Emile B. Cordaro
Theodore M. "Ted" Haik, Jr.
Carol R. LeBlanc
J. Todd Hollenshead
Robert D. Watkins
Mr. Gregory Carter

The following member(s) of the Board was recorded as absent:

Darryl D. Smith
Johnny B. Bradberry

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

Also recorded as present were:

David Boulet - Assistant Secretary of the Office of Mineral Resources
Stacey Talley - Deputy Assistant Secretary of the Office of Mineral Resources
Victor Vaughn - Executive Officer to the State Mineral and Energy Board &
Geologist Administrator-Geological & Engineering Division
Rachel Newman - Director, Mineral Income Division
Frederick Heck - Director, Petroleum Lands Division
Emile Fontenot - Assistant Director, Petroleum Lands Division
James Devitt - Deputy General Counsel, Department of Natural Resources
Christopher Lento - Assistant Attorney General

The Chairman stated that the first order of business was the approval of the June 8, 2016 Minutes. A motion was made by Mr. Segura to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Hollenshead 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. Segura, seconded by Mr. Haik, 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.)

- a) Lease Review Committee
- b) Nomination and Tract Committee
- c) Audit Committee
- d) Legal and Title Controversy Committee
- e) Docket Review Committee

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

Upon motion of Mr. Segura, seconded by Mr. Harris, the Board recessed its Regular Meeting at 12:13 p.m. to go into Executive Session for technical briefing in order to consider matters before the Board which were confidential in nature.

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. Segura, seconded by Mr. Haik, and unanimously adopted by the Board, the Board reconvened in open session at 12:19 p.m.

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

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

Mr. Vaughn stated that Staff recommends that the bids on Tract Nos. 44567 and 44568 be accepted.

Upon motion by Mr. Haik, seconded by Mr. Watkins, the Board unanimously voted to accept the bids received on Tract Nos. 44567 and 44568 and award leases on those tracts.

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. Haik, seconded by Mr. Watkins, the Board voted unanimously to accept the Staff's recommendations for the following:

1. Award a lease on a portion of Tract No. 44567, said portion being 14.00 acres, for a cash payment of \$1,575.00 and at a royalty of 23.50000%, more particularly described in said bid and outlined on accompanying plat, to Merlin Oil & Gas, Inc.
2. Award a lease on a portion of Tract No. 44568, said portion being 280.00 acres, more particularly described in said bid and outlined on accompanying plat, to Wapiti Operating, LLC.

This concluded the awarding of the leases.

A special resolution honoring Mr. Victor Vaughn's career and expressing appreciation for his years of state service was read by the Board. Said resolution was presented for adoption by motion of Mr. Arnold, and seconded by the Entire Board. A copy of the Resolution is attached hereto and made a part of these minutes.

The following announcements were then made:

Ms. Talley stated that "the total for today's Lease Sale is \$59,150.00, being the 1st lease sale of this fiscal year this brings the fiscal year-to-date total to \$59,150.00."

Ms. Talley reminded the Board Members that they need to complete a one (1) hour online Ethics course before December 31st and that she would send them the link to the Board of Ethics website.

Ms. Talley also stated that copies of the new Executive Orders are in the Board's binders as well as a letter from the Governor stating that he has chosen not to be the Chairman of the Board and delegates authority to the Board to elect a Chair itself.

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Haik, seconded by Mr. Hollenshead, the meeting was adjourned at 12:30 p.m.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "David W. Boulet". The signature is fluid and cursive, with a large initial "D" and "B".

David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

WHEREAS, the career of **Victor "Vic" Marx Vaughn** with the State of Louisiana began unceremoniously with his original employment on August 1, 1975 as a Geologist 1 with the Office of Mineral Resources, where he first exhibited the knowledge and acumen so evident in his later State service, but which led to his being lured by the siren call of a booming private oil and gas industry to leave State employment on January 31, 1977 as a Geologist 2; and

WHEREAS, perfecting his understanding of and skill in the still vibrant, but declining private oil and gas industry brought Vic, on December 12, 1988, back to welcoming State employment as a Geologist 3, from which date he has continued his illustrious career, providing the Office of Mineral Resources and the State Mineral and Energy Board a superb work ethic and enlightened insight into the geological craft as it pertains to mineral leasing and development for the State of Louisiana; and

WHEREAS, his copious knowledge of the field of geology and desire to see Louisiana's mineral and energy resources utilized to propel this State into the elite strata of energy providers for the U.S.A.; his unselfish attitude in taking on and successfully completing necessary projects; his willingness to share his knowledge with subordinates; and his continued effort to bring the high standards he espouses to those with whom he is associated; caused the recognition of his superior knowledge, skills, and attributes which were duly rewarded by his promotion to Geological Supervisor on January 8, 2001, and then to Geological Administrator on June 23, 2003; and

WHEREAS, given his comprehensive knowledge of the Office of Mineral Resources' purpose and function, he was detailed to special duty as Deputy Assistant Secretary for the Office of Mineral Resources on March 29, 2006, from which he brought a unifying consistency to OMR's daily routine, thereafter returning to the position of Geological Administrator, his present serving position; and

WHEREAS, under his leadership over OMR's Geological and Engineering Division he:

- Strengthened the use of technical and geological/engineering data to support best decisions for OMR
- Promoted the acquisition and use of seismic data in tract evaluation
- Exercised prudence and sound judgment in the acceptance of bids at lease sales
- Sought promotion and training opportunities for G&E employees
- Supported the decisions and work product of G&E employees
- Promoted the use of GIS software in lease evaluation
- Crafted language that assisted the Lease Review Committee in getting undeveloped acreage released from vintage leases
- Demonstrated an uncanny approach to solving complex problems presented to OMR, always offering reasonable, workable solutions

WHEREAS, to acknowledge his outstanding and meritorious service to the State of Louisiana, the Department of Natural Resources, the Office of Mineral Resources, the State Mineral and Energy Board, and further, to acknowledge the immeasurable value imparted to those with whom he has worked and supervised, this recognition is bestowed upon **Vic**.

NOW THEREFORE, BE IT RESOLVED, with the concurrence of the current and former staff of the Office of Mineral Resources, the **STATE MINERAL AND ENERGY BOARD** unanimously accords the following to **VICTOR MARX VAUGHN**:

1. Our heartfelt appreciation for your dedicated and distinguished service to the State of Louisiana in helping to shepherd this State's quality management and conservation of its mineral resources;
2. Our belated, though sincere kudos in recognition of the hard work, long hours, and unparalleled expertise in which you have brought to and so unselfishly shared with OMR and this Board in service to the State of Louisiana; and
3. Our sincere gratitude for your partnership with and guidance of the various personnel and state agencies who work to serve the interests of the people of Louisiana in the preservation and conservation of its minerals.

BE IT FURTHER RESOLVED that the Board desires only good fortune and a comfortable, healthy and fulfilling retirement follow your faithful service to the State of Louisiana. From all of us, we wish you a "Happy, Prosperous and Rewarding retirement." Good fortune and good fishing.

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 in the City of Baton Rouge, Louisiana, on the 13th day of July, 2016, pursuant to due notice, at which meeting a quorum was present, that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



**Thomas L. Arnold, Jr., Chairman
State Mineral and Energy Board**



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

Lease Review Committee Report

A meeting of the Lease Review Committee of the State Mineral and Energy Board convened on Wednesday, July 13, 2016 at 9:35 a.m. with the following members of the Board in attendance: Mr. Thomas L. Arnold, Jr., Mr. Gregory C. "Greg" Carter, Mr. W. Paul Segura, Jr., Mr. Thomas F. Harris, Mr. Theodore M. "Ted" Haik, Jr., Mr. J. Todd Hollenshead, Ms. Carol R. LeBlanc, Mr. W. Paul Segura, Jr., and Mr. Robert D. Watkins. Also in attendance was Mr. Johnny B. Bradberry, representing Governor John Bel Edwards.

I. Geological and Engineering Staff Review

The staff of the Office of Mineral Resources reported to the Committee that according to the SONRIS database, there were 1,437 active State Leases containing approximately 599,000 acres. Since the last Lease Review Committee meeting, the Geological and Engineering Division reviewed 92 leases covering approximately 20,000 acres for lease maintenance and development issues.

II. Committee Review

1. A staff report on State Leases 1450, 1451, 1480, and 14589, Lake Raccourci Field, Jefferson and Lafourche Parishes. Exxon Mobil Corporation is the lessee.
On motion of Mr. Arnold, seconded by Ms. LeBlanc, the committee voted to accept the proposed partial release offer and that ExxonMobil be granted until October 1, 2016 to prepare and execute the partial release.

III. Force Majeure

1. Request by staff to rescind the Board Resolution dated October 13, 2004 granting authority to the staff to negotiate, draft and advertise force majeure amendments without prior approval from the Board.
On motion of Mr. Harris, seconded by Mr. Arnold, the committee voted to remove this item from the Lease Review Committee Agenda for consideration at a later date.
2. Request by staff to rescind the Board Resolution dated May 9, 1973 waiving the requirement to make shut-in and in-lieu royalty payments for gas wells while the lease is under a force majeure condition and the formation of a Flood Committee for the recognition of the Force Majeure Event.
On motion of Mr. Arnold, seconded by Mr. Harris, the committee voted to rescind the force majeure Board policy dated May 9, 1973.

3. BAS Production, LLC requested recognition of force majeure affecting State Lease 3541 due to flooding causing rig evacuation and preventing completion of downhole reworking operations for the period of November 1, 2015 through February 16, 2016.

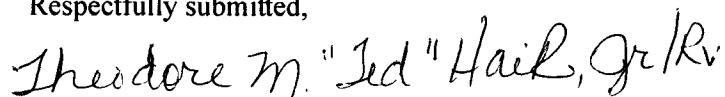
On motion of Mr. Hollenshead, seconded by Mr. Watkins, the committee voted to recognize the force majeure condition that occurred for the period November 1, 2015 through February 16, 2016, caused by flooding preventing the timely continuation of downhole reworking operations by BAS Production, LLC to maintain and restore production to State Lease 3541, Caddo Parish, Louisiana and furthermore to require amendment of State Lease 3541 to include the current force majeure language and other lease amendments required by the Board.

4. Ballard Exploration Company, Inc. requests recognition of a force majeure condition after-the-fact affecting State Lease 18158 for the period of January 6, 2015 through April 7, 2015 due to high winds preventing safe access to the well location to perform downhole reworking operations.

On motion of Mr. Arnold, seconded by Mr. Hollenshead, the committee voted to conditionally recognize and acknowledge after-the-fact due to extenuating circumstances, that the force majeure event caused by high winds created conditions to prevent Ballard Exploration Company, Inc. from safely continuing downhole reworking operations to maintain State Lease 18158 in Cameron Parish, Louisiana, for the period of January 6, 2015 through April 7, 2015 and requires that Ballard amend the State Lease 18158 to include the current force majeure language and the other lease amendments required by the Board.

The Committee adjourned the July 13, 2016 meeting at 9:47 a.m.

Respectfully submitted,



Mr. Theodore M. "Ted" Haik, Jr., Chairman
Lease Review Committee
Louisiana State Mineral and Energy Board

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-07-001
(LEASE REVIEW COMMITTEE)**

WHEREAS, the Lease Review Committee last reviewed State Leases 1450, 1451, 1480, and 14589, in the Lake Raccourci Field (southern portion), on May 11, 2016, whereby the State Energy and Mineral Board (SMEB) recommended that Exxon Mobil Corporation (Exxon) be granted until June 1, 2016 to submit their partial release proposal to the Office of Mineral Resources staff for review; and

WHEREAS, Exxon by letter dated June 1, 2016 identified and proposed acreage to be released among the above referenced leases and requested that they be granted sufficient time to prepare and execute the partial release.

ON MOTION of Mr. Arnold, seconded by Ms. LeBlanc, the following recommendation was offered and adopted by the Lease Review Committee after discussion and careful consideration:

That the SMEB recommends that the proposed partial release offer be accepted and that Exxon be granted until October 1, 2016 to prepare and execute the partial release.

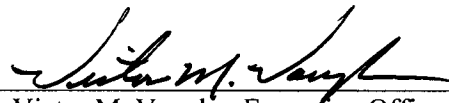
WHEREAS, after discussion and careful consideration by the SMEB, a decision has been reached:

ON MOTION of Mr. Segura, seconded by Mr. Haik, the following resolution was offered and unanimously adopted by the State Mineral and Energy Board:

NOW THEREFORE BE IT RESOLVED that the State Mineral and Energy Board recommends that the proposed partial release offer be accepted and grants Exxon until October 1, 2016 to prepare and execute the partial release.

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 13th day of July, 2016, 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.



Victor M. Vaughn, Executive Officer
Louisiana State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-07-002
(Lease Review Committee)**

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

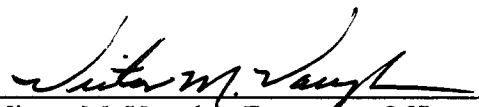
WHEREAS, the Office of Mineral Resources Staff originally placed on the Lease Review Committee’s agenda Item No. 1 under Section III - Force Majeure, the matter to rescind a Board Resolution dated October 13, 2004 granting authority to the staff to negotiate, draft and advertise force majeure amendments without prior authority from the Board.

WHEREAS, at the request of the Office of Mineral Resources Staff the Board removed Item No. 1 under Section III - Force Majeure of the Lease Review Committee agenda from the Lease Review Committee’s agenda to be reconsidered at a later date.

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 remove from the Lease Review Committee agenda Item No. 1 under Section III - 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 13th day of July, 2016, 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.



Victor M. Vaughn, Executive Officer
Louisiana State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL BOARD

Rescind -
Replaced by 2005
FM policy

Legal and Title Controversy Committee

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

WHEREAS, a request was made by the staff of the Office of Mineral Resources for authority to proceed with the force majeure amendment to the lease process when the action is clearly justifiable, without first requesting authority to proceed from the Board.

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

NOW BE IT THEREFORE RESOLVED, that the request by the staff of the Office of Mineral Resources for authority to negotiate, draft and advertise force majeure amendments without prior approval from the Louisiana State Mineral Board is granted.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral Board in the City of Baton Rouge, Louisiana, on the 13th day of October 2004, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral Board and is now in full force and effect



Louisiana State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-07-003
(Lease Review Committee)**

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

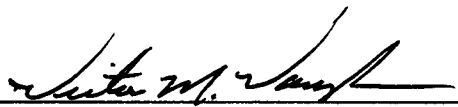
WHEREAS, the Office of Mineral Resources’ Staff requested that the Board rescind a prior Board Resolution dated May 9, 1973 waiving the requirement to make shut-in and in-lieu royalty payments for gas wells while the lease is under a force majeure condition and the formation of a Flood Committee for the recognition of the Force Majeure Event;

WHEREAS, the Office of Mineral Resources’ Staff reported to the Board that the May 9, 1973 resolution conflicts with the current Force Majeure Policy approved in 2005 by the Board.

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 rescind the force majeure Board policy dated May 9, 1973.

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 13th day of July, 2016, 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.



Victor M. Vaughn, Executive Officer
Louisiana State Mineral and Energy Board

Rescind - Not current policy

RESOLUTION

On motion of Mr. Gailor, seconded by Mr. Howard,
the following Resolution was offered and adopted.

WHEREAS, due to the rising waters of almost unprecedented flood conditions existing in the lowlands of the State of Louisiana, owners and operators of State leases have been compelled to shut-in production from wells located in the flooded areas, or discontinue operations which would maintain those leases,

WHEREAS, notwithstanding the provisions of the various State Oil, Gas, and Mineral Leases, the Mineral Board takes cognizance of the flood conditions being due to acts of God, or vis major, and desires to establish a procedure whereby recognition can be given to suspension of certain obligations of lessees as well as the status of affected leases.

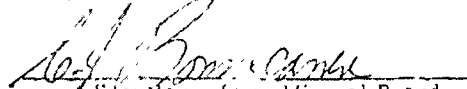
NOW, THEREFORE, BE IT RESOLVED THAT:

- 1) Any well or wells located on leases granted by the State of Louisiana or on units containing leases or portions thereof covering lands of the State of Louisiana, which wells were producing oil or gas and were shut-in by virtue of being located in waters affected by the aforesaid flood conditions, should remain shut-in until the flood conditions have ceased or subsided so as to permit the resumption of production under safe operating practices and conditions;
 - 2) The status of leases which were being maintained in force and effect by the production of such wells which were shut-in shall not be affected by such shutting-in;
 - 3) The shutting-in of any or all gas wells will not be considered as a cause, or create an obligation, to make any shut-in payments;
 - 4) Operations, which would maintain a lease under its terms, and which once commenced must be discontinued as a direct result of these flood conditions, shall not affect the status of any lease as being maintained, so long as this condition of force majeure exists;
 - 5) In order that appropriate recognition be given to the status of wells and leases which fall within the scope of this Resolution there has been appointed a Flood Committee consisting of a Chairman and two Mineral Board members, and any lessee of the State whose lease may fall within the purview and scope of this Resolution, should make application to the Board through this Committee for the recognition afforded hereby.
- The Flood Committee shall satisfy itself as to whether or not a condition of force majeure exists with respect to such lease, according to the policies and standards herein set forth, and report its findings to the Board for formal action thereon.

BE IT FURTHER RESOLVED, that any lessee granted the relief herein authorized be required to furnish such reports at regular intervals that will fully inform the Committee of efforts made to restore production or resume operations.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral Board held in the City of Baton Rouge, Louisiana on the 9th day of May, 1973, 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.


Secretary, State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-004 (Lease Review Committee)

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, on November 1, 2015, BAS Production, LLC ("BAS") was forced to cease downhole reworking on a well that maintained State Lease 3541 Caddo Parish, Louisiana, due to flooding;

WHEREAS, BAS was prevented from continuing downhole reworking operations to maintain State Lease 3541 for a period of greater than ninety (90) days from November 1, 2015 until February 16, 2016, and;

WHEREAS, State Lease 3541 does not contain force majeure language;

WHEREAS, the Office of Mineral Resources Staff ("Staff") recognized the force majeure condition under the authority of the Board's Force Majeure 2005 Policy ("Policy") and pursuant to the Policy, requested that BAS amend the lease to include the approved force majeure language and other required paragraphs;

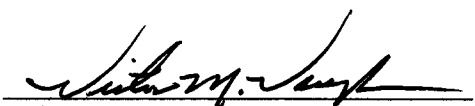
WHEREAS, the Board approved 2005 Force Majeure Policy authorized the Staff to recognized force majeure events, and;

WHEREAS, BAS has submitted the initial report timely and submitted a notarized affidavit attesting to the facts in this matter.

NOW THEREFORE BE IT RESOLVED, that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present, does hereby acknowledge the Office of Mineral Resources recognition of a force majeure condition caused by flooding preventing the timely continuation of downhole reworking operations by BAS Production, LLC to maintain and restore production to State Lease 3541, Caddo Parish, Louisiana. The Board concurs with the force majeure recognition of the force majeure condition that existed for the period of November 1, 2015 through February 16, 2016 affecting State Lease 3541. The Board furthermore concurs with the Staff's recommendation to require amendment of State Lease 3541 to include the current force majeure language and the other lease amendments required by the Board.

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 13th day of July, 2016, 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.


Victor M. Vaughn, Executive Officer
Louisiana State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-005 (Lease Review Committee)

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, on January 6, 2015 Ballard Exploration Company, Inc. ("Ballard") was forced to cease downhole reworking operations affecting State Lease 18158 in Cameron Parish, Louisiana due to unsafe conditions caused by high wind on Sabine Lake, and;

WHEREAS, Ballard was prevented from re-establishing downhole reworking operations to maintain State Lease 18158 for a period of greater than ninety (90) days from January 6, 2015 until April 7, 2015, and;

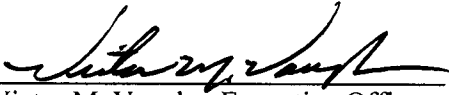
WHEREAS, the Office of Mineral Resources' Staff recommended that the Board recognize the force majeure condition after-the-fact and provided Ballard amend State Lease 18158 to include the current force majeure language and the other lease amendments required by the Board, and;

WHEREAS, Ballard has submitted the initial report and submitted a notarized affidavit attesting to the facts in this matter.

NOW THEREFORE BE IT RESOLVED, that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present, does hereby conditionally recognize and acknowledge after-the-fact due to extenuating circumstances, that the force majeure event caused by high winds created conditions to prevent Ballard Exploration Company, Inc. from safely continuing downhole reworking operations to maintain State Lease 18158 in Cameron Parish, Louisiana, for the period of January 6, 2015 through April 7, 2015. The Board's conditional recognition provides that Ballard amend the State Lease 18158 to include the current force majeure language and the other lease amendments required by the Board.

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 13th day of July, 2016, 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.


Victor M. Vaughn, Executive Officer
Louisiana State Mineral and Energy Board

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: July 19, 2016 7:48 AM

District Code 1 New Orleans- East
 Get Review Date July 13, 2016

02090	SOUTHEAST PASS	75.133 01/12/2006	400	832.188	JUL AR 6/22/16 DP AR HBP 1 UNIT, 1 SL WELL;;
04708	BRETON SOUND BLOCK 32	237365-SL 4708-018 06/05/2008	454.431	454.431	JUL AR 6/23/16 DP AR - HBP - 5 SL WELL
08191	BRETON SOUND BLOCK 20	222414-SL 8191-004 08/11/1998	760	760	JUL AR 6/23/16 DP AR AR - LEASE EXPIRED, NO PROD SINCE 9/2013, DEBATE BETWEEN MILAGRO AND WHITE OAK OVER P&A RESPONSABILITY IS DELAYING RELEASE;;
11352	POINTE A LA HACHE	12.863 11/09/2006	9.798	9.798	JUL AR 6/23/16 DP AR AR - HBP - 2 UNITS;;
12104	LIVINGSTON	LVG WX 1 RA SU 11/01/1986	.34	.34	JUL AR 6/23/16 DP AR - HBP - 1 UNIT;;
16386	LAKE FORTUNA		264.81	264.81	JUL AR 6/23/16 DP SR - HELD BY IN-LIEU ROYALTIES PAID 3/4/2016;;
16442	BRETON SOUND BLOCK 18	64.39 09/16/2002	142.93	142.93	JUL QR 6/23/16 DP QR - HBP - 1 UNIT;;
16543	BRETON SOUND BLOCK 18	72.63 09/16/2002	20.57	20.57	JUL QR 6/23/16 DP QR - HBP - 1 UNIT;;
16594	BRETON SOUND BLOCK 18	480.07 11/18/2002	18.66	18.66	JUL QR 6/23/16 DP QR - HBP - 1 UNIT;;
16713	CHANDELEUR SOUND BLOCK 71	5900 RA SUA;SL 12789 09/19/1989 1086-E 89-307	70.509	70.509	JUL AR DP 6/23/16 AR - HBP - 1 UNIT;;
17545	LAKE BORGNE	SL 17546 03/12/2003	97.87	97.87	JUL AR DP 6/23/16 AR - HBP - 1 VU;;
17655	LAKE BORGNE	SL 17546 03/12/2003	102.56	102.56	JUL AR DP 6/23/16 AR - HBP - 1 VU;;
18077	POINTE A LA HACHE	SL 18077	228	228	JUL AR 6/23/16 DP AR - HBP - 1 SL WELL;;
18654	LAKE CAMPO	532.681 04/09/2009	0	401.319	JUL AR 6/23/16 DP AR - LEASE EXPIRED, RELEASE RECEIVED, WAITING ON CORRECTION;;
21533	LAKE BORGNE		53.04	53.04	APR PT 1/14/2018 - JUL AR 6/23/16 DP AR - HBP - 1 SL WELL;; 4/24/16 DP QR, HBP - 1 SL WELL, CHECK AGAIN IN JULY;; 1/26/16 DP, HBP FROM SL 21533 WELL #1, SN 234492, LUW 306760

Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: July 19, 2016 7:48 AM

District Code 1W New Orleans- West

Get Review Date July 13, 2016

01450	LAKE RACCOURCI	48.977 07/15/2011	273	1004.143	JUL. LRC 6/28/16 MS QR, LEASE IS HELD BY UNIT PRODUCTION FROM LR CIB 21 A1 RA SU. IN A LETTER DATED JUNE 1, 2016 EXXON HAS AGREED TO RELEASE NON PRODUCTIVE PORTIONS OF THIS LEASE IN LIEU OF DEVELOPMENT PLANS
01451	LAKE RACCOURCI	30.456 07/15/2011	273	712.224	JUL. LRC 6/28/16 MS QR, LEASE IS HELD BY UNIT PRODUCTION FROM LR CIB 21 A1 RA SU AND LEASE WELLS. IN A LETTER DATED JUNE 1, 2016 EXXON HAS AGREED TO RELEASE NON PRODUCTIVE PORTIONS OF THIS LEASE IN LIEU OF DEVELOPMENT PLANS
01467	BAYOU PLAQUEMINE	31.718 07/08/1981	.282	.282	JUL. AR 6/28/16 MS AR, LEASE HELD BY UNIT PRODUCTION FROM C RA SUA
01480	LAKE RACCOURCI , PLAIN DEALING	246743-SL 1480-001 07/31/2013	242.13	2016.798	JUL. LRC 6/28/16 MS QR, LEASE IS HELD BY LEASE PRODUCTION. IN A LETTER DATED JUNE 1, 2016 EXXON HAS AGREED TO RELEASE NON PRODUCTIVE PORTIONS OF THIS LEASE IN LIEU OF DEVELOPMENT PLANS
02474	SOUTH PASS BLOCK 24 , SOUTH PASS BLOCK 24 OFFSHORE(8453 7/97	T1A 9000 RA SUA;SL 1923 07/08/2014 227-VVV 14-337	288	344	JUL. AR 6/28/16 MS AR, LEASE HELD BY UNIT PRODUCTION FROM SPB24 Q RC SU, SPB24 9400 RA SU, 7400 RB VUE;GTA2 ET AL U27, SPB24 U2 RA SU, SPB24 8600 RA SU AND SPB24 8400 RA SU
05913	BAYOU PLAQUEMINE	EAST RA SUA; WILBERTS 05/01/1979	13.18	14.035	JUL. AR 6/28/16 MS AR, LEASE HELD BY UNIT PRODUCTION FROM C RA SUA
07501	KINGS RIDGE	244458-KRG 9900 RB SU;SL 7501-003 03/02/2012	264.122	264.122	JUL. AR 6/28/16 MS AR, LEASE IS HELD BY UNIT PRODUCTION FROM KRG 9900 RB SU
12415	LAKE WASHINGTON	LW R RB SU 09/01/1996	2.742	2.742	JUL AR 6/28/16 MS AR, LEASE IS HELD BY UNIT PRODUCTION FROM LW R RB SU
14589	LAKE RACCOURCI	21.42 07/15/2011	160	1677.25	JUL. LRC 6/28/16 MS QR, LEASE HELD BY LEASE PRODUCTION. IN A LETTER DATED JUNE 1, 2016 EXXON HAS AGREED TO RELEASE NON PRODUCTIVE PORTIONS OF THIS LEASE IN LIEU OF DEVELOPMENT PLANS
15009	BAYOU DE FLEUR, SOUTH	73.521 12/14/2000	33.479	33.479	JUL. AR 6/28/16 MS AR, LEASE HELD BY UNIT PRODUCTION FROM CRIS 2 RA SUA
15057	BAYOU DE FLEUR, SOUTH	4.123	5.877	5.877	JUL. AR 6/28/16 MS AR, LEASE



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: July 19, 2016 7:48 AM

District Code 1W New Orleans- West
Get Review Date July 13, 2016

Table with columns: District Code, Location, Date, Area, Value 1, Value 2, and Description. Rows include properties like COLLEGE POINT-ST JAMES, WEST DELTA BLOCK 83, PROFIT ISLAND, etc.



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

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District Code 2 Lafayette
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Well ID	Location	Operator	Acres	Value	Notes
02906	LAPEYROUSE	VUB;J B SMITH ETAL	4.33	40.4	JUL. AR 6/24/16 AW HBP IN 2 UNITS (PELICAN RE SUA & GG RA SUA); 2 PRODUCING WELLS
03113	MAURICE	BOL MEX 2A RC SUA;E B RACCA 12/07/2010 366-U-10 10-1283	0	9	JUL. AR 6/24/16 AW RELEASED BY HILCORP, BUT STILL AWAITING RELEASE FROM OTHER LESSORS
03401	LAKE PAGIE	285.59 06/18/1990	68	68	JUL. AR 6/24/16 AW HBP IN 1 UNIT (TEX W 7 RB SUA); 1 PRODUCING WELL
03475	LAKE PAGIE	CC2 RA VUA;LATERRE CO INC B	337.74	657	JUL. AR 6/24/16 AW HBP IN 4 UNITS (VUA, VUB, TEX W 7 RB SUA, & 6100 RA SUA); 4 PRODUCING WELLS
14807	JEFFERSON ISLAND		360	442	JUL. AR 6/24/16 AW HBP IN LEASE WELL; 1 PRODUCING WELL
16038	PERRY POINT , RAYNE, SOUTH	BOL MEX B RA SUA;P HULIN CO 04/26/2011 448-O-5 11-204	4.506	4.506	JUL. AR 6/24/16 AW HBP IN 2 UNITS (BOL M B RA SUA & BOL M A RB SUA); 2 PRODUCING WELLS
16120	CAILLOU ISLAND	108.803 06/16/2004	8.304	8.304	JUL. AR 6/24/16 AW HBP IN 1 UNIT (D12 RA VUA); 1 PRODUCING WELL
16212	PATTERSON	MA 3 RC SUA;A B ZENOR A 395-Z-2 00-382	11.388	11.388	JUL. AR 6/24/16 AW HBP IN 1 UNIT (MA 3 RC SUA); 1 PRODUCING WELL
16528	CAILLOU ISLAND	258.695 02/09/2005	42.131	42.131	JUL. AR 6/24/16 AW HBP IN 1 UNIT (D12 RA VUA); 1 PRODUCING WELL
16945	CAILLOU ISLAND	698.241 11/19/2009	7.169	7.169	JUL. AR 6/24/16 AW HBP IN 1 UNIT (D12 RA VUA); 1 PRODUCING WELL
17435	CAILLOU ISLAND	60.73 06/16/2004	4.89	4.89	JUL. AR 6/24/16 AW HBP IN 1 UNIT (D12 RA VUA); 1 PRODUCING WELL
19139	LAKE SAND	LSA ROB 5 RA SU 216-C-1	106	800	JUL. AR 6/24/16 AW HBP IN 1 UNIT (ROB 5 RA SU) & LEASE WELL; 2 PRODUCING WELLS
19141	ISLES DERNIERES		251.38	251.38	JUL. AR 6/24/16 AW HBP IN LEASE WELL; 1 PRODUCING WELL
20532	EUGENE ISLAND BLOCK 18	237.67 03/25/2015	155.87	155.87	JUL. AR ATCHAFALAYA DELTA WMA 6/24/16 AW HBP IN 1 UNIT (VUB; SL 20534); 1 PRODUCING WELL
21150	FOUR ISLE DOME	CIB C RA SUA;LL&E 09/17/2013 495-VV 13-483	43	43	JUL. AR 6/24/16 AW HBP IN 1 UNIT (CIB C RA SUA); 1 PRODUCING WELL
21151	LAKE BARRE		160	165.61	JUL. AR 6/24/16 AW HBP IN LEASE WELL; 1 PRODUCING WELL
21152	FOUR ISLE DOME	20.14 02/04/2015	1.86	1.86	JUL. AR 6/24/16 AW HBP IN 1 UNIT (CIB C RA SUA); 1



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

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District Code 2 Lafayette
Get Review Date July 13, 2016

Table with 6 columns: Well ID, Name, Production, Injection, Total, and Status. Row 1: 21157, FOUR ISLE DOME, 3.522 05/13/2015, 10.48, 10.478, PRODUCING WELL. Row 2: JUL. AR 6/24/16 AW HBP IN 1 UNIT (CIB C RA SUA); 1 PRODUCING WELL

Louisiana Department of Natural Resources (DNR)

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Staff Reviews

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Well ID	Owner	CV RA SUC;ATKINS-LINCOLN 18 01/16/2008 251-F 08-24	116	287	JUL. AR 6/2/16 SKR AR - NON PUGH LEASE HBP. 2 ACTIVE UNITS. 2 PRODUCING WELLS
14073	CADDO PINE ISLAND		40	40	JUL. AR 6/2/16 SKR AR - 100% HBP SL WSN 14073
14260	UNIONVILLE	CV DAVIS RA SUQQ;L G HANNA 01/29/1980 206-E-1 80-50	4	4	JUL. AR / TC 6/2/16 SKR AR 100% HBP 1 ACTIVE UNIT. 3 PRODUCING WELLS. ROYALTY IN ESCROW DUE TO TITLE CONFLICT
14261	UNIONVILLE	CV DAVIS RA SUN;H W WRIGHT 12/13/1978 206-E 78-771	8	8	JUL. AR / TC 6/2/16 SKR AR - 100% HBP 1 ACTIVE UNIT. 4 PRODUCING WELLS. ROYALTY ESCROW DUE TO TITLE CONFLICT
14262	UNIONVILLE	CV DAVIS RA SUO;M C BABINEAUX 12/13/1978 206-E 78-771	12	12	JUL. AR / TC 6/2/16 SKR AR - 100% HBP 1 ACTIVE UNIT. 2 PRODUCING WELLS. ROYALTY ESCROW DUE TO TITLE CONFLICT
14713	SAILES	HOSS B SUBB;WILLAMETTE 01/01/1995	120	120	JUL. AR 6/2/16 SKR AR - 100% HBP 1 ACTIVE UNIT. 1 PRODUCING WELL
16036	ELM GROVE	LCV RA SUMM;MERCER 9 05/18/1999 361-E-21 99-269	1.838	1.838	JUL. AR 6/2/16 SKR AR - 100% HBP 3 ACTIVE UNITS. 18 PRODUCING WELLS
16397	SWAN LAKE	HA RA SUG;GORMAN 14-15-11 H 01/27/2009 691-C-1 09-94	12.044	12.044	JUL. AR 6/2/16 SKR AR - 100% HBP 3 ACTIVE UNITS. 4 PRODUCING WELLS
17161	ELM GROVE	HA RA SU93;HUTCHINSON 28 H 11/10/2009 361-L-66 09-1187	10	10	JUL. AR 6/2/16 AR - 100% HBP 3 ACTIVE UNITS. 12 PRODUCING WELLS
17162	VIXEN	MH B SUC;DEVON-DONNER 02/20/1964 139-F-14 04-645	40	40	JUL. AR 6/2/16 SKR AR - 100% HBP 1 ACTIVE UNIT. 1 PRODUCING WELL
17732	ELM GROVE	CV RA SU46;ELM GROVE PLNT 29	15	15	JUL. AR 6/2/16 SKR AR - 100% HBP 12 ACTIVE UNITS. 20 PRODUCING WELLS. THE FOLLOWING LUW CODES ARE REPORTING NO ROYALTY: 613846 AND 614562 (LOW EQUITY). 614703 AND 617030 NOT ASSC W/ 17732 (B1029)
17734	ELM GROVE , SWAN LAKE	HA RA SUK; 04/29/2014 691-C-31 14-202	24.36	24.36	JUL. AR 6/2/16 SKR AR - 100% HBP 9 ACTIVE UNITS. 20 PRODUCING WELLS
19123	ELM GROVE	HA RA SU87;CUPPLES H 09/10/2009 361-L-56 09-945	51	51	JUL. AR 6/2/16 SKR AR - 100% HBP 2 ACTIVE UNITS. 2 PRODUCING WELLS

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: July 19, 2016 7:48 AM

District Code 3 Lake Charles- North

Get Review Date July 13, 2016

Account Number	Account Name	Account Description	Original Balance	Current Balance	Comments
19124	RED RIVER-BULL BAYOU , THORN LAKE	HA RA SUP;SAMPLE 16 H 05/05/2009 1145-B-15 09-484	55.695	55.695	JUL. AR 6/2/16 SKR AR - 100% HBP 4 ACTIVE UNITS. 9 PRODUCING WELLS
20039	GAHAGAN , RED RIVER-BULL BAYOU	HA RA SUBB;ROBINSON ETAL 32H 02/15/2011 909-H-16 11-79	127	127	JUL. AR 6/2/16 SKR AR - 100% HBP 4 ACTIVE UNITS. 4 PRODUCING WELLS
20040	GAHAGAN	HA RA SUX;MICIOTTO 16 H 03/16/2010 909-H-7 10-275	161	161	JUL. AR 6/2/16 SKR AR - 100% HBP 2 ACTIVE UNITS. 4 PRODUCING WELLS
20287	ELM GROVE	HA RA SU104;POWERS 28 H 11/03/2009 361-L-62	28.709	28.709	JUL. AR 6/2/16 SKR AR - 100% HBP 1 ACTIVE UNIT. 2 PRODUCING WELLS
21415			0	50	JULY PT 07/09/2017 SCHOOL INDEMNITY 6/2/16 SKR EXPIRED DUE TO NO RENTAL PAYMENT
21416			0	10	JULY PT 07/09/2017 TAX ADJUDICATED 6/2/16 SKR RENTAL PAID



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: July 19, 2016 7:48 AM

District Code 3S Lake Charles- South
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Table with columns: ID, Name, Description, Value 1, Value 2, Date/Status. Includes rows for DEEP LAKE, VERMILION BLOCK 16, WEST CAMERON BLOCK 21, and ABBEVILLE. Summary row at bottom shows 11,254,263 and 18,830,988.

JOHN BEL EDWARDS
GOVERNOR



THOMAS F. HARRIS
SECRETARY

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 **9:47 a.m.** on Wednesday, **July 13, 2016** with the following members of the Board in attendance:

Mr. Thomas F. Harris	Mr. Emile B. Cordaro	Mr. Gregory C. Carter
Mr. Thomas L. Arnold, Jr.	Mr. J. Todd Hollenshead	Ms. Carol R. LeBlanc
Mr. Robert D. Watkins		Mr. Theodore M. Haik, Jr.

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the September 14, 2016 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Harris**, duly seconded by **Mr. Haik**, the Committee voted unanimously to recommend to the Board the granting of authority to the staff to advertise all such tracts as have been reviewed by the State Land Office and the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report presented by Mr. Fontenot.

A request by Staff that the fees for permits to conduct seismic, geophysical and geological surveys upon state-owned lands and/or water bottoms, as previously set by Board Resolution dated July 8, 2015, expiring on July 12, 2016, and to increase such fees, pursuant to La. R.S. 30:215, commencing July 13, 2016 to \$15 per acre or \$1000 or whichever is greater. On motion of **Mr. Haik**, duly seconded by **Mr. Harris**, the Committee voted unanimously to set such fees.

The Committee, on the motion of **Mr. Harris**, seconded by **Ms. LeBlanc**, voted to adjourn at **10:04 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

Resolution #16-07-006
(NOMINATION AND TRACT COMMITTEE)

Tracts to Be
Advertised

WHEREAS, Mr. Emile Fontenot reported that 21 tracts had been nominated for the September 14, 2016 Mineral Lease Sale, and requests that same are to be advertised pending staff review;

WHEREAS, the staff of the Office of Mineral Resources, upon further review and consideration, recommended that the foregoing request be approved by the Nomination and Tract Committee;

ON MOTION of *Mr. Harris*, seconded by *Mr. Haik*, the following recommendation was offered and unanimously adopted by the Nomination and Tract Committee after discussion and careful consideration:

That the State Mineral and Energy Board grant final approval to advertise all such tracts for the September 14, 2016 Mineral Lease Sale;

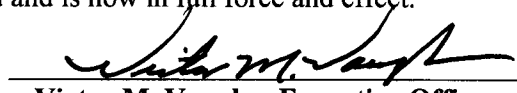
WHEREAS, after discussion and careful consideration of the foregoing request and recommendation by the Nomination and Tract Committee;

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

NOW, BE IT THEREFORE RESOLVED, that the State Mineral and Energy Board does hereby approve and authorize the advertising of all such tracts 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 Committee Report.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 13th day of July 2016, 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.



Victor M. Vaughn, Executive Officer
LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Non-Exclusive Seismic Permit Fees

Resolution #16-07-007
(NOMINATION AND TRACT COMMITTEE)

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

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

WHEREAS, the Board last met on July 8, 2015 for the purpose of setting the per acre fee to be paid for such permits; and

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

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

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

That the State Mineral and Energy Board herein and hereby set a fee of \$15.00 per acre, or \$1000.00, whichever is greater, for a non-exclusive seismic permit on lands belonging to the State of Louisiana under the jurisdiction of the Wildlife and Fisheries Commission (WFC), including wildlife management areas, wildlife refuges, public shooting grounds, or other outdoor recreation areas.

That the State Mineral and Energy Board herein and hereby set a fee of \$15.00 per acre, or \$1,000.00, whichever is greater, for a non-exclusive seismic permit on all other lands and water bottoms belonging to the State of Louisiana.

ON MOTION of *Mr. Haik*, seconded by *Mr. Harris*, after discussion and careful consideration, the foregoing OMR Staff recommendation was offered and unanimously accepted by the Nomination and Tract Committee.

WHEREAS, in response to the foregoing OMR Staff recommendation and approval of the Nomination and Tract Committee:

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

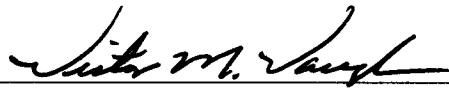
NOW THEREFORE, BE IT RESOLVED:

That the State Mineral and Energy Board herein and hereby set a fee of \$15.00 per acre, or \$1000.00, whichever is greater, for a non-exclusive seismic permit on lands belonging to the State of Louisiana under the jurisdiction of the Wildlife and Fisheries Commission (WFC), including wildlife management areas, wildlife refuges, public shooting grounds, or other outdoor recreation areas.

That the State Mineral and Energy Board herein and hereby set a fee of \$15.00 per acre, or \$1,000.00, whichever is greater, for a non-exclusive seismic permit on all other lands and water bottoms belonging to the State of Louisiana.

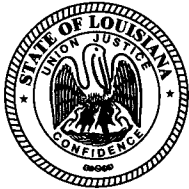
CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of July, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.



Victor M. Vaughn, Executive Officer
LOUISIANA STATE MINERAL AND ENERGY BOARD

JOHN BEL EDWARDS
GOVERNOR



THOMAS F. HARRIS
SECRETARY

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

The regular meeting of the Audit Committee of the State Mineral and Energy Board was held on Wednesday, July 13, 2016, immediately 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.
Gregory C. "Greg" Carter
Emile B. Cordaro

Theodore M. "Ted" Haik, Jr.
Thomas F. Harris
J. Todd Hollenshead

Carol R. LeBlanc
Robert D. Watkins

Mr. Robert D. Watkins convened the Committee at 10:04 a.m.

The first matter considered by the Committee was a request to exclude Diasu Oil & Gas Company, Inc. from the Fiscal Year 2017 audit schedule.

Upon recommendation of the staff and upon motion of Mr. Haik, seconded by Mr. Arnold, the Committee voted unanimously to exclude Diasu Oil & Gas Company, Inc. from the Fiscal Year 2017 audit cycle.

Upon motion of Mr. Haik, seconded by Mr. Cordaro, the Committee voted unanimously for the Attorney General's Office to prepare language for the Office of Mineral Resources' lease form which will secure the Department of Natural Resources as a creditor in Bankruptcy filings of lease holders.

The second matter considered by the Committee was a request to exclude Maxus Exploration Company from the Fiscal Year 2017 audit schedule.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Haik, the Committee voted unanimously to exclude Maxus Exploration Company from the Fiscal Year 2017 audit cycle.

The third matter considered by the Committee was a recoupment request from Ridgewood Energy Corporation.

Upon recommendation of the staff and upon motion of Mr. Harris, seconded by Mr. Haik, the Committee voted unanimously to approve the recoupment request of \$55,046.36 by issuing a check.

The fourth matter considered by the Committee was a request to place TC Oil Company LLC on demand.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Haik, the Committee voted unanimously to approve the demand request.

The fifth first matter considered by the Committee was a proposal to rescind the Resolution dated October 9, 1985 regarding lessees' unauthorized recoupment of overcharges from future royalties in accordance with the FERC Orders 93-93A and 399-399A-399B.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Haik, the Committee voted unanimously to rescind the Resolution.

The sixth matter considered by the Committee was a proposal to rescind the Resolution dated October 9, 1991 with reference to Resolution dated October 9, 1985 and whereby the State reiterates its position regarding royalties due on gas contract buyouts as the result of a MMS audit.

Upon recommendation of the staff and upon motion of Mr. Harris, seconded by Mr. Haik, the Committee voted unanimously to rescind the Resolution.

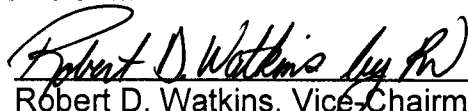
The seventh matter considered by the Committee was a proposal to rescind the Resolution dated December 13, 1989 regarding royalty due the State in relation to FERC Order 94A-B allowing reimbursements to sellers for gathering and compression of natural gas.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Hollenshead, the Committee voted unanimously to rescind the Resolution.

The eighth matter considered by the Committee was the election of the July 2016 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. Harris, seconded by Mr. Hollenshead, the Board voted unanimously to adjourn the Audit Committee at 10:26 a.m.



Robert D. Watkins, Vice 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

RESOLUTION #16-07-08
(AUDIT COMMITTEE)

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

WHEREAS, by State Mineral and Energy Board (Board) Resolution dated August 12, 2009, the Board authorized the OMR to conduct all appropriate and necessary audits of any party, lessee, operator and/or payor of a State lease, that has, or may, file for bankruptcy protection; and

WHEREAS, Diasu Oil & Gas Company, Inc. filed Chapter 11 bankruptcy on June 7, 2016; and

WHEREAS, Diasu Oil & Gas Company, Inc. was a payor of record from April 1989 through current during which time royalty payments totaled \$1,325,300.00; and

WHEREAS; Diasu Oil & Gas Company, Inc. has never been field audited; and

WHEREAS, Diasu Oil & Gas Company, Inc. has paid \$91,604 in royalties in the last 10 years; and

WHEREAS, OMR staff recommends Diasu Oil & Gas Company, Inc. be removed from the 2017 audit cycle because the risk is low given the passage of time and the immaterial amount paid; and

ON MOTION of Mr. Hiak, seconded by Mr. Arnold, after discussion and careful consideration, the foregoing OMR Staff recommendations were offered and unanimously accepted by the Audit Committee.


WHEREAS, in response to the foregoing OMR Staff recommendations and action of the Audit Committee;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant that the audit of Diasu Oil & Gas Company, Inc. be removed from the 2017 audit cycle because the risk is low given the passage of time and the immaterial amount paid.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of July 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #16-07-10
(AUDIT COMMITTEE)

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

WHEREAS, by State Mineral and Energy Board (Board) Resolution dated August 12, 2009, the Board authorized the OMR to conduct all appropriate and necessary audits of any party, lessee, operator and/or payor of a State lease, that has, or may, file for bankruptcy protection; and

WHEREAS, Maxus Exploration Company filed Chapter 11 bankruptcy on June 17, 2016; and

WHEREAS, Maxus Exploration Company was a payor of record from April 1989 through May 1995 during which time royalty payments totaled \$15,487,726; and

WHEREAS; the audit of Maxus Exploration Company covered the period of August 1989 through April 1994 and paid \$15,945 as a result; and

WHEREAS, OMR staff recommends Maxus Exploration Company be removed from the 2017 audit cycle because no royalty is at risk; and

ON MOTION of Mr. Arnold, seconded by Mr. Haik, after discussion and careful consideration, the foregoing OMR Staff recommendations were offered and unanimously accepted by the Audit Committee.

WHEREAS, in response to the foregoing OMR Staff recommendations and action of the Audit Committee;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant that the audit of Maxus Exploration Company be removed from the 2017 audit cycle because royalty is at low risk.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of July 2017 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #16-07-11
(AUDIT COMMITTEE)

WHEREAS, a letter of application was made by Ridgewood Energy Corporation for a credit adjustment of \$46,067.21 for the Atchafalaya Bay Field, State Lease 20035; and this amount was based on Ridgewood Energy Corporation paying oil and NGL royalties based on incorrect oil volumes for the period of October 2013.

WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Audit Committee;

ON MOTION of Secretary Harris, seconded by Mr. Haik, the following recommendation was offered and unanimously adopted by the Audit Committee after discussion and careful consideration:

WHEREAS, that the applicant is entitled to an adjustment, does recommend that the State allow Ridgewood Energy Corporation to receive a check in the amount of the \$55,046.36 for the overpayment.

WHEREAS, after discussion and careful consideration of the foregoing request and the recommendation of the Audit Committee;

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

NOW, BE IT THEREFORE RESOLVED that the Board does authorize and direct the Mineral Income Director to issue a check in the amount of \$55,046.36 to Ridgewood Energy Corporation on a one-time or lump sum basis or on such terms deemed necessary by the Director, which are legally permissible, and without prejudice to any other rights of the state.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 13th day of July, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Louisiana State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary
LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-07-012
(AUDIT COMMITTEE)**

WHEREAS, the State Mineral and Energy Board caused an audit to be performed of TC Oil Company LLC respecting the royalty payments under State Lease No. 17774 in the West Cameron Block 21 field; and

WHEREAS, there are differences between TC Oil Company LLC and the Board regarding the amount of royalty due and interest and penalty charges due by TC Oil Company LLC; and

WHEREAS, the staff of the Office of Mineral Resources has been unable to resolve and settle the outstanding penalty due with TC Oil Company LLC,

ON MOTION of Mr. Arnold, seconded by Mr. Haik, the following recommendation was offered and unanimously adopted by the Audit Committee after discussion and careful consideration:

Jeff Landry, Attorney General of the State of Louisiana is hereby authorized to place formal demand upon TC Oil Company LLC and other related parties, and further is authorized to take all appropriate action, including the filing of suit on behalf of the Board against TC Oil Company LLC and other current lessees for collection of all penalty, and all other remedies prescribed by law.

WHEREAS, after discussion and careful consideration of the foregoing request and the recommendation of the Audit Committee;

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

NOW, BE IT THEREFORE RESOLVED that the State Mineral and Energy Board does hereby grant the following:

Jeff Landry, Attorney General of the State of Louisiana is hereby authorized to place formal demand upon TC Oil Company LLC and other related parties, and further is authorized to take all appropriate action, including the filing of suit on behalf of the Board against TC Oil Company LLC and other current lessees for collection of all penalty, and all other remedies prescribed by law.

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 13th day of July, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral Board and is now in full force and effect.



**David W. Boulet, Secretary
Louisiana State Mineral and Energy Board**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #16-07-009 (AUDIT COMMITTEE)

WHEREAS, pursuant to LA. R. S. 30:136.A(1)(c) the lessee, operator, or other person directly involved in developing, producing, transporting, purchasing, or selling oil, gas or other minerals must make available to the State Mineral and Energy Board (Board) for inspection and audit all records pertaining to the computation of royalties; and

WHEREAS, pursuant to Board resolution dated August 12, 2009, the Board authorized and approved the Office of Mineral Resources, Mineral Income Division to conduct all necessary audits of any party, lessee, operator, and/or payor of a state lease that has or may file for bankruptcy to ensure the Board's claims, royalties and exceptions are accurately represented in the bankruptcy process; and

WHEREAS, the Board further orders the Office of Mineral Resources, Mineral Income Division to comply with applicable bankruptcy laws and procedures of the United States of America and work with the assistance of counsel prior to engaging in audit procedures during a bankruptcy; and

WHEREAS, the Board authorized staff of the Office of Mineral Resources by Resolution dated June 12, 2013 to meet with the purpose of drafting a revised oil and gas lease form which will address various mineral lease issues and leaseholder issues and other aspects of the oil and gas lease form; and

WHEREAS, the Attorney General's office advised the Board the state is not given priority in a bankruptcy situation rather a standard creditor; and

WHEREAS, the Attorney General's office notes other state leases contain language creating a security interest for the lessor thereby making the lessor a priority creditor;

ON MOTION of Mr. Haik, seconded by Mr. Cordaro, after discussion and careful consideration, the Board instructed the Attorney General's Office to prepare language for the Office of Mineral Resources' lease form which will secure the Department of Natural Resources as a secured creditor in Bankruptcy filings of lease holders.

WHEREAS, in response to the foregoing action of the Audit Committee;

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

NOW THEREFORE, BE IT RESOLVED, that the Attorney General's Office will prepare language for the revised lease form draft securing the State as a priority creditor in bankruptcy.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of July, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



**David W. Boulet, Secretary
State Mineral and Energy Board**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #16-07-013 (AUDIT COMMITTEE)

WHEREAS, pursuant to LA. R. S. 30:136.A(1)(c) the lessee, operator, or other person directly involved in developing, producing, transporting, purchasing, or selling oil, gas or other minerals must make available to the State Mineral and Energy Board (Board) for inspection and audit all records pertaining to the computation of royalties; and

WHEREAS, LA. R. S. 30:136.A(2) provides that overpayments may be offset, compensated for, or recovered from royalty thereafter; and

WHEREAS, by Resolution dated October 9, 1985, the Board acknowledged that the U.S. Court of Appeals overturned the Federal Energy Regulatory Commission (FERC) Order 93-93A governing computation of maximum lawful prices under the Natural Gas Policy Act of 1978, including the allowance of the measurement of BTU content on a "dry" basis; and

WHEREAS, the Board acknowledged FERC Orders 399, 399-A and 399-B, which provide that producers are not required to refund the royalty portion any overcharges to purchasers prior November 1986; and

WHEREAS, the Board, consistent with FERC Orders 399, 399-A and 399B as well as the state lease, the Board confirmed its position that lessees/payors may not withhold or recoup from future royalties, any overcharges arising from gas production; and

WHEREAS, FERC no longer regulates the natural gas industry nor the pricing of natural gas;

WHEREAS, OMR Staff recommends that the board rescind Resolution dated October 9, 1985, which pertains to lessees/payors not withholding or recouping from future royalties, any overcharges arising from gas production.

ON MOTION of Mr. Arnold, seconded by Mr. Haik, after discussion and careful consideration, the foregoing OMR Staff recommendations were offered and unanimously accepted by the Audit Committee.

WHEREAS, in response to the foregoing OMR Staff recommendations and action of the Audit Committee;

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

NOW THEREFORE, BE IT RESOLVED, that the Board hereby rescinds and nullifies the Resolution of October 9, 1985.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of July, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.

A handwritten signature in black ink, appearing to read "David W. Boulet", written over a horizontal line.

**David W. Boulet, Secretary
State Mineral and Energy Board**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #16-07-014 (AUDIT COMMITTEE)

WHEREAS, pursuant to LA. R. S. 30:136.A(1)(c) the lessee, operator, or other person directly involved in developing, producing, transporting, purchasing, or selling oil, gas or other minerals must make available to the State Mineral and Energy Board (Board) for inspection and audit all records pertaining to the computation of royalties; and

WHEREAS, since September 1989, the Office of Mineral Resources (OMR) has conducted audits of and collected royalties on Federal 8(g) leases by contracted delegation of authority from the Secretary of the Interior under the Federal Oil and Gas Royalty Management Act of 1982; and

WHEREAS, the OMR conducted an audit of federal leases billing \$8,000,000 attributed to a gas contract buyout for which the Minerals Management Service (MMS) does not intend to pursue; and

WHEREAS, by Resolution dated October 9, 1991, the Board, reiterates its position regarding royalties due on gas contract buy downs, buyouts or take-or-pay settlements as evidenced in resolutions dated October 9, 1985 and October 10, 1990 and urges the MMS to reevaluate its position; and

WHEREAS, MMS no longer exists and gas contracts are no longer regulated by the Federal Energy Regulatory Commission; and

WHEREAS, OMR Staff recommends that the board rescind Resolution dated October 9, 1991, which reiterated the Board's position regarding royalties due on gas contract buy downs, buyouts, or take-or-pay settlements.

ON MOTION of Mr. Harris, seconded by Mr. Haik, after discussion and careful consideration, the foregoing OMR Staff recommendations were offered and unanimously accepted by the Audit Committee.

WHEREAS, in response to the foregoing OMR Staff recommendations and action of the Audit Committee;

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

NOW THEREFORE, BE IT RESOLVED, that the Board hereby rescinds and nullifies the Resolution of October 9, 1991.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of July, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.

A handwritten signature in black ink, appearing to read "David W. Boulet", written over a horizontal line.

**David W. Boulet, Secretary
State Mineral and Energy Board**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #16-07-015 (AUDIT COMMITTEE)

WHEREAS, pursuant to LA. R. S. 30:136.A(1)(c) the lessee, operator, or other person directly involved in developing, producing, transporting, purchasing, or selling oil, gas or other minerals must make available to the State Mineral and Energy Board (Board) for inspection and audit all records pertaining to the computation of royalties; and

WHEREAS, LA. R. S. 30:136.A(2) provides that overpayments may be offset, compensated for, or recovered from royalty thereafter; and

WHEREAS, on January 24, 1983 the Federal Energy Regulatory Commission (FERC) issued Orders 94-A and 94-B allowing sellers under many first sale contracts to receive reimbursements for gathering and compression of natural gas; and

WHEREAS, by resolution dated December 13, 1989, the Board directed state lessees to report to the state any FERC Order 94 transactions which may increase the price of state royalty gas sold pursuant to any gas contracts and pay the state its proportionate share of resulting royalty; and

WHEREAS, FERC no longer regulates natural gas;

WHEREAS, OMR Staff recommends that the board rescind Resolution dated December 13, 1989, which allowed sellers under many first sale contracts to receive reimbursements for gathering and compression of natural gas.

ON MOTION of Mr. Arnold, seconded by Mr. Hollenshead, after discussion and careful consideration, the foregoing OMR Staff recommendation was offered and unanimously accepted by the Audit Committee.

WHEREAS, in response to the foregoing OMR Staff recommendations and action of the Audit Committee;

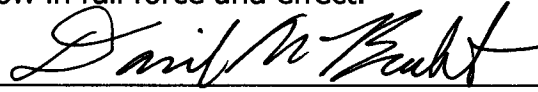
ON MOTION of Mr. Segura, seconded by Mr. Haik, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED, that the Board hereby rescinds and nullifies the Resolution of December 13, 1989.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of July, 2016 of the State Mineral and Energy Board in the City of Baton

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

A handwritten signature in black ink, appearing to read "David W. Boulet". The signature is written in a cursive style with a large initial "D".

**David W. Boulet, Secretary
State Mineral and Energy Board**

JOHN BEL EDWARDS
GOVERNOR



THOMAS F. HARRIS
SECRETARY

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

LEGAL AND TITLE CONTROVERSY COMMITTEE REPORT

The regular meeting of the Legal and Title Controversy Committee of the State Mineral and Energy Board was held on July 13, 2016, 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 L. Arnold, Jr.
Mr. Emile B. Cordaro
Mr. Theodore M. "Ted" Haik, Jr.
Mr. Robert Watkins
Mr. Gregory C. Carter

Mr. W. Paul Segura, Jr.
Mr. Thomas F. Harris
Ms. Carol R. LeBlanc
Mr. J. Todd Hollenshead

The Legal and Title Controversy Committee was called to order by Mr. Haik at 10:28 a.m.

The first matter considered by the Committee was a request for final approval of an Operating Agreement by and between the State Mineral and Energy Board and Achilles Oil, LLC, 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 18.75% before payout, increasing to 19.25% after payout, in and to the operating tract, covering a portion of former State Lease No. 10100, containing 83.71 acres, more or less, Concordia Parish, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-22.

Upon motion of Mr. Arnold, seconded by Mr. Watkins, and by unanimous vote of the Committee and Board, the State Mineral and Energy Board granted final approval of the Operating Agreement by and between the State Mineral and Energy Board and Achilles Oil, LLC, on the Docket as Item No. 16-22. No comments were made by the public.

The second matter considered by the Committee was a request for final approval of an Operating Agreement by and between the State Mineral and Energy Board and C.T.R. Oil, Inc., 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 20.00% before payout, increasing to 21.00% after payout, in and to the operating tract, covering a portion of former State Lease No. 4477, containing 4.484 acres, more or less, Catahoula Parish, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-24.

Upon motion of Mr. Arnold, seconded by Mr. Harris, and by unanimous vote of the Committee and Board, the State Mineral and Energy Board granted final approval of the Operating Agreement by and between the State Mineral and Energy Board and C.T.R. Oil, Inc., on the Docket as Item No. 16-24. No comments were made by the public.

The third matter being considered by the Committee was a request for final approval of a Settlement and Release by and between the State of Louisiana and the Plaquemines Parish Government, whereas said parties have reached a settlement in the matter entitled Helis Oil & Gas, L.L.C. v. State of Louisiana, et al., Docket No. 52-061, Division B, 25th Judicial District Court, Plaquemines Parish, affecting State Lease No. 17620, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-25.

Upon motion of Mr. Arnold, seconded by Mr. Watkins, and by unanimous vote of the Committee and Board, the State Mineral and Energy Board granted final approval of the Settlement and Release by and between the State of Louisiana and the Plaquemines Parish Government, on the Docket as Item No. 16-25. No comments were made by the public.

The fourth matter being considered by the Committee was a report to the Mineral and Energy Board presented by James Devitt (DNR Legal Division) regarding 2016 Legislation.

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

The fifth matter being considered by the Committee was a request by Talos Gulf Coast Onshore LLC for a one (1) year extension from August 10, 2016, of authority to escrow funds derived from production on acreage which is a title dispute between the State and LL&E in the 86 RA SUA; SL 21092 #1, West Bay St. Elaine Field, Terrebonne Parish Louisiana; which authority was originally granted on July 9, 2014, extended on October 8, 2014, further extended on June 10, 2015, and on August 12, 2015 and on January 14, 2016, which extends through August 10, 2016.

This matter was discussed, but no action was taken by the Mineral and Energy Board. No comments were made by the public.

The sixth matter being considered by the Committee was a request by Lobo Operating, Inc. for a waiver of all or a portion of the liquidated damage assessments levied on the late releases of the following state leases:

- a) \$11,500.00 levied on the late release of State Lease No. 21246, Plaquemines Parish, Louisiana; and
- b) \$11,500.00 levied on the late release of State Lease No. 21247, Plaquemines Parish, Louisiana.

Upon motion of Mr. Arnold, seconded by Mr. Harris, with Mr. Haik opposing, and by vote of the Committee and Board, the State Mineral and Energy Board granted a full waiver to Lobo Operating, Inc. for the liquidated damage assessments levied on the late releases of the following state leases:

- a) \$11,500.00 levied on the late release of State Lease No. 21246, Plaquemines Parish, Louisiana; and
- b) \$11,500.00 levied on the late release of State Lease No. 21247, Plaquemines Parish, Louisiana.

On request by the Board for public comment, comments were made by Roger Pecoraro on behalf of Lobo Operating, Inc.

The seventh matter being considered by the Committee was a request by Shoreline Southeast LLC (Shoreline) for a six (6) month extension of the authority previously granted to Shoreline at the February 10, 2016 Board meeting to escrow royalty payments related to title disputed acreage within State Lease No. 21436 situated within the N RF SUA; L DISC 12 RA SUA and DISC 12 RE SUA Units, Bastian Bay Field, Plaquemines Parish, Louisiana.

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, and by unanimous vote of the Committee and Board, the State Mineral and Energy Board granted Shoreline Southeast LLC's request for an extension of escrow authority effective June 8, 2016 through January 11, 2017, or the date of the next meeting of the Board thereafter, should it not meet that month. No comments were made by the public.

The eighth matter being considered by the Committee was a report to the Mineral and Energy Board presented by David W. Boulet (Secretary, Office of Mineral Resources) of the Sub-Committee meeting held on July 7, 2016 concerning issues with the Proposed New Lease Form.

A motion by Mr. Haik was made to develop a special sub-committee of its members to review issues relating to audit, royalty changes, and records retention with the Proposed New Lease Form. Upon request for a second to his motion, Mr. Arnold made an alternate motion that a special meeting of the Mineral and Energy Board be held to hear a presentation by Mr. Watkins regarding issues relating to audit, royalty changes, and records retention in the Proposed New Lease Form. Mr. Haik withdrew his motion and seconded Mr. Arnold's motion, and by a unanimous vote of the Committee and Board, the motion passed.

An additional motion was made by Mr. Haik, which was seconded by Mr. Arnold, and by unanimous vote of the Committee and Board, that a special meeting of the Mineral and Energy Board be held to hear a presentation by Mr. Hollenshead regarding his review of issues relating to a deep rights provision in the Proposed New Lease Form.

Upon request for public comment, comments were made by Pat Theophilus of Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Harris, the Committee voted unanimously to go into Executive Session at 11:40 a.m.

Upon motion of Mr. Arnold, seconded by Mr. Harris, the Committee voted unanimously to return to Open Session at 12:03 p.m.

The ninth matter being considered by the Committee was a discussion in Executive Session of the Bolan demand regarding Section 25-T14N-R11W in Red River Parish, Louisiana.

This matter was a discussion, and no action by the Board was taken.

The tenth matter being considered by the Committee was a discussion in Executive Session of the Bundrick demand regarding Sections 25 and 36-T14N-R11W in Red River Parish, Louisiana.

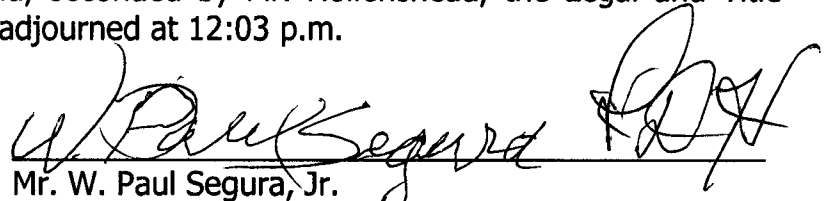
This matter was a discussion, and no action by the Board was taken.

The eleventh matter being considered by the Committee was a discussion in Executive Session regarding ongoing discussions with the disputing landowner,

ConocoPhillips, successor to LL&E, as to title disputed acreage within State Lease Nos. 724, 21150, 21152 and 21157 situated within the CIB CARST RA SUA Unit, Four Isle Dome Field, Terrebonne Parish, Louisiana.

This matter was a discussion, and no action by the Board was taken.

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, the Legal and Title Controversy Committee meeting adjourned at 12:03 p.m.



Mr. W. Paul Segura, Jr.
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

Operating Agreement by and
between the State Mineral and
Energy Board and Achilles Oil, LLC
Former State Lease No. 10100
Docket Item No. 16-22

RESOLUTION # 16-07-016

(LEGAL & TITLE CONTROVERSY COMMITTEE)

WHEREAS, a request was made for final approval of an Operating Agreement by and between the State Mineral and Energy Board and Achilles Oil, LLC, 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 18.75% before payout, increasing to 19.25% after payout, in and to the operating tract, covering a portion of former State Lease No. 10100, containing 83.71 acres, more or less, Concordia Parish, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-22;

WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Legal and Title Controversy Committee;

ON MOTION of Mr. Arnold, seconded by Mr. Watkins, the following recommendation was offered and unanimously adopted by the Legal and Title Controversy Committee after discussion and careful consideration:

That the State Mineral and Energy Board grant final approval of the Operating Agreement by and between the State Mineral and Energy Board and Achilles Oil, LLC, on the Docket as Item No. 16-22;

WHEREAS, after discussion and careful consideration of the foregoing request and the recommendation of the Legal and Title Controversy Committee;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant final approval of the Operating Agreement by and between the State Mineral and Energy Board and Achilles Oil, LLC, on the Docket as Item No. 16-22.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of July, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Operating Agreement by and
between the State Mineral and
Energy Board and C.T.R. Oil, Inc.
Docket Item No. 16-24

RESOLUTION # 16-07-017

(LEGAL & TITLE CONTROVERSY COMMITTEE)

WHEREAS, a request was made for final approval of an Operating Agreement by and between the State Mineral and Energy Board and C.T.R. Oil, Inc., 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 20.00% before payout, increasing to 21.00% after payout, in and to the operating tract, covering a portion of former State Lease No. 4477, containing 4.484 acres, more or less, Catahoula Parish, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-24;

WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Legal and Title Controversy Committee;

ON MOTION of Mr. Arnold, seconded by Mr. Harris, the following recommendation was offered and unanimously adopted by the Legal and Title Controversy Committee after discussion and careful consideration:

That the State Mineral and Energy Board grant final approval of the Operating Agreement by and between the State Mineral and Energy Board and C.T.R. Oil, Inc., on the Docket as Item No. 16-24;

WHEREAS, after discussion and careful consideration of the foregoing request and the recommendation of the Legal and Title Controversy Committee;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant final approval of the Operating Agreement by and between the State Mineral and Energy Board and C.T.R. Oil, Inc., on the Docket as Item No. 16-24.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of July, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Settlement and Release by and
between the State of Louisiana and
the Plaquemines Parish Government
Docket No. 16-25

RESOLUTION # 16-07-018

(LEGAL & TITLE CONTROVERSY COMMITTEE)

WHEREAS, a request was made for final approval of a Settlement and Release by and between the State of Louisiana and the Plaquemines Parish Government, whereas said parties have reached a settlement in the matter entitled Helis Oil & Gas, L.L.C. v. State of Louisiana, et al., Docket No. 52-061, Division B, 25th Judicial District Court, Plaquemines Parish, affecting State Lease No. 17620, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-25;

WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Legal and Title Controversy Committee;

ON MOTION of Mr. Arnold, seconded by Mr. Watkins, the following recommendation was offered and unanimously adopted by the Legal and Title Controversy Committee after discussion and careful consideration:

That the State Mineral and Energy Board grant final approval of the Settlement and Release by and between the State of Louisiana and the Plaquemines Parish Government, on the Docket as Item No. 16-25;


WHEREAS, after discussion and careful consideration of the foregoing request and the recommendation of the Legal and Title Controversy Committee;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant final approval of the Settlement and Release by and between the State of Louisiana and the Plaquemines Parish Government, on the Docket as Item No. 16-25.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of July, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION # 16-07-019

WAS NOT USED

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

LOBO Operating, Inc.
SL Nos. 21246 & 21247
Late Release Liquidated Damages
Plaquemines Parish

RESOLUTION # 16-07-020

(LEGAL & TITLE CONTROVERSY COMMITTEE)

WHEREAS, a request was made by Lobo Operating, Inc. for a waiver of all or a portion of the liquidated damage assessments levied on the late releases of the following state leases:

- a) \$11,500.00 levied on the late release of State Lease No. 21246, Plaquemines Parish, Louisiana; and
- b) \$11,500.00 levied on the late release of State Lease No. 21247, Plaquemines Parish, Louisiana;

WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Legal and Title Controversy Committee;

ON MOTION of Mr. Arnold, seconded by Mr. Harris, with Mr. Haik opposing, the following recommendation was offered and adopted by the Legal and Title Controversy Committee after discussion and careful consideration:

That the State Mineral and Energy Board grant a full waiver to Lobo Operating, Inc. for a waiver of all or a portion of the liquidated damage assessments levied on the late releases of the following state leases:

- a) \$11,500.00 levied on the late release of State Lease No. 21246, Plaquemines Parish, Louisiana; and
- b) \$11,500.00 levied on the late release of State Lease No. 21247, Plaquemines Parish, Louisiana;

WHEREAS, after discussion and careful consideration of the foregoing request and the recommendation of the Legal and Title Controversy Committee;

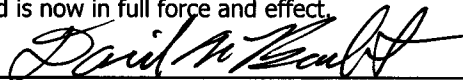
ON MOTION of Mr. Segura, seconded by Mr. Haik, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant a full waiver to Lobo Operating, Inc. for the liquidated damage assessments levied on the late releases of the following state leases:

- a) \$11,500.00 levied on the late release of State Lease No. 21246, Plaquemines Parish, Louisiana; and
- b) \$11,500.00 levied on the late release of State Lease No. 21247, Plaquemines Parish, Louisiana.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of July, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Shoreline Southeast LLC
ESCROW EXTENSION
State Lease No. 21436

RESOLUTION # 16-07-021
(LEGAL & TITLE CONTROVERSY COMMITTEE)

WHEREAS, pursuant to La. R.S. 30:121, the State Mineral and Energy Board (Board) shall administer the State of Louisiana's (State) proprietary interest in the minerals in and upon the lands and water bottoms belonging to the State or the title to which is in the public trust; and

WHEREAS, pursuant to La. R.S. 30:124, the Board has authority to lease such lands and water bottoms for the development and production of minerals, oil, gas or alternative energy sources; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State, and is authorized to take any action necessary to protect the interests of the State and enter into agreements or amend leases in the manner most beneficial to the State; and

WHEREAS, disputes regarding the ownership of minerals to which the State claims title periodically occur and Lessees are required to promptly notify the Office of Mineral Resources (OMR) of adverse claims by any individual or entity not a party to a State Lease; and

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

WHEREAS, on August 5, 2015, Shoreline Southeast LLC (Lessee) notified OMR that a *bona fide* dispute exists due to an adverse claim regarding the ownership or title to all or a portion of the premises under lease by the State related to the N RF SUA, L DISC 12 RA SUA, and DISC 12 RE SUA Units, Bastian Bay Field, affecting State Lease No. 21436 in Plaquemines Parish, Louisiana, and requested authorization to deposit the royalty payments due on the production attributable to the disputed acreage into an escrow account in lieu of making such payments directly to OMR as required by the State Lease; and

WHEREAS, in response to this notice and request, by Resolution #15-08-017, dated August 12, 2015, the Board granted Lessee's request for escrow authority commencing August 12, 2015 and continuing through the February 2016 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties time to evaluate and resolve the adverse claim; and

WHEREAS, on January 14, 2016, Lessee requested an extension of the previously granted escrow authority to afford the interested parties additional time to negotiate an amicable resolution of the adverse claim; and

WHEREAS, in response to this notice and request, by Resolution #15-02-005, dated February 10, 2016, the Board granted Lessee's request for escrow authority commencing February 10, 2016 and continuing through the June 2016 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties time to evaluate and resolve the adverse claim; and

WHEREAS, on July 11, 2016, Lessee requested an extension of the previously granted escrow authority to afford the interested parties additional time to negotiate an amicable resolution of the adverse claim; and

Resolution #16-07-021
(Legal & Title Controversy Committee)

WHEREAS, in response to this request for an extension of the escrow authority previously granted, OMR Staff offered the following recommendation for consideration by the Legal & Title Controversy Committee:

That the State Mineral and Energy Board approve Lessee's request for an extension of escrow authority, commencing June 8, 2016 and continuing through the January 11, 2017 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties additional time to further pursue resolution of the adverse claim, which extension should be granted subject to the standard escrow procedure and requirements established by OMR.

ON MOTION of Mr. Arnold, seconded by Mr. Hollenshead, after discussion and careful consideration, the foregoing OMR Staff recommendation was offered and unanimously accepted by the Legal & Title Controversy Committee.

WHEREAS, in response to the foregoing OMR Staff recommendation and action of the Legal & Title Controversy Committee:

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

NOW THEREFORE, BE IT RESOLVED that Lessee's request for extension of the escrow authority previously granted by Resolution #15-02-005, dated February 10, 2016, is hereby approved.

BE IT FURTHER RESOLVED:

- 1) Lessee is hereby authorized to suspend the direct payment of royalties to OMR on the disputed acreage related to the N RF SUA, L DISC 12 RA SUA, and DISC 12 RE SUA Units, Bastian Bay Field, affecting State Lease No. 21436 in Plaquemines Parish, Louisiana;
- 2) The escrow authority extended hereby is effective June 8, 2016 and continuing through the January 11, 2017 Board meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties additional time to resolve the adverse claim;
- 3) The escrow authority extended hereby is contingent upon Lessee's continued compliance with the standard escrow procedure and requirements established by OMR;
- 4) The deposit of royalties into the escrow account shall be accepted by the Board as the royalty payments required by the State Lease, and Lessee shall not be held in default of payment of its royalty obligation owed the State as long as deposits continue to be timely and properly made as required by the State Lease into the escrow account; and
- 5) The Board reserves the right to audit the royalty payments deposited into the escrow account and further reserves all audit rights authorized by the State Lease.

BE IT FURTHER RESOLVED:

- 1) Lessee shall continue to maintain a separate, interest bearing escrow account at a FDIC insured financial institution having a presence in the State of Louisiana;
- 2) Throughout the extended escrow period, Lessee shall continue to timely provide fully completed SR-9 Reports (and any other requested documents) to OMR;

Resolution #16-07-021
(Legal & Title Controversy Committee)

- 3) Throughout the extended escrow period, Lessee shall continue to timely deposit the properly calculated and reported royalty payments attributable to the disputed acreage into the escrow account;
- 4) Throughout the extended escrow period, Lessee shall continue to provide documentation (copies of deposited checks, deposit receipts or monthly bank statements) of the timely deposit of royalty payments into the escrow account;
- 5) Throughout the extended escrow period, Lessee shall continue to cooperate, in good faith, with OMR's efforts to negotiate a royalty sharing agreement or other amicable resolution of the title dispute with the adverse claimant(s);
- 6) If the ownership/title dispute is amicably resolved prior to expiration of the extended escrow period, the royalty payments on deposit and interest thereon accumulating in the escrow account shall be timely distributed in accordance with the negotiated resolution;
- 7) If the ownership/title dispute is not amicably resolved prior to expiration of the authorized escrow extension, Lessee shall, within fifteen (15) calendar days of expiration:
 - a) Resume direct payment of royalties to OMR and transfer all royalty payments, including interest, on deposit in the escrow account to OMR; or
 - b) Invoke a concursus proceeding, transfer all royalty payments, including interest, on deposit in the escrow account into the Registry of the Court and continue the direct payment of royalties into the Registry of the Court through adjudication of the dispute;
- 8) Lessee shall not transfer nor release any funds, including interest, on deposit in the escrow account authorized by this Resolution without the knowledge and written approval of OMR; and
- 9) All charges and expenses in connection with the creation and maintenance of the escrow account authorized hereby are to be borne by Lessee.

BE IT FURTHER RESOLVED that Lessee is obligated to continue to strictly comply with the requirements applicable to the original and extended escrow authority in accordance with the requirements set forth herein and as required by OMR. Lessee's failure to:

- 1) Timely create the escrow account; or
- 2) Timely deposit royalty payments into the escrow account; or
- 3) Timely provide required reports and documentary proof of deposits; or
- 4) Timely invoke a concursus proceeding or resume direct payment of royalties to OMR upon expiration of the escrow authority;

may result in the escrow authority granted hereby being rendered null and void *ab initio* by the Board, thus subjecting Lessee to the penalties and interest authorized by law and the State Lease.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of July, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.



**David W. Boulet, Secretary
State Mineral and Energy Board**

Resolution #16-07-021
(Legal & Title Controversy Committee)

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Proposed New Lease Form for
Oil, Gas, and Other Liquid or
Gaseous Hydrocarbon Minerals

RESOLUTION # 16-07-022

(LEGAL & TITLE CONTROVERSY COMMITTEE)

WHEREAS, a report to the Mineral and Energy Board was presented by David W. Boulet (Secretary, Office of Mineral Resources) of the Sub-Committee meeting held on July 7, 2016 concerning issues with the Proposed New Lease Form;

ON MOTION of Mr. Arnold, seconded by Mr. Haik, the following recommendation was offered and unanimously adopted by the Legal and Title Controversy Committee after discussion and careful consideration:

That the State Mineral and Energy Board hold a special meeting of the Mineral and Energy Board to hear a presentation by Mr. Watkins regarding issues relating to audit, royalty changes, and records retention in the Proposed New Lease Form;

WHEREAS, after discussion and careful consideration of the foregoing and the recommendation of the Legal and Title Controversy Committee;

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

NOW THEREFORE, BE IT RESOLVED that a special meeting of the Mineral and Energy Board shall be scheduled to hear a presentation by Mr. Watkins regarding issues relating to audit, royalty changes, and records retention in the Proposed New Lease Form.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of July, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



**David W. Boulet, Secretary
State Mineral and Energy Board**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Proposed New Lease Form for
Oil, Gas, and Other Liquid or
Gaseous Hydrocarbon Minerals

RESOLUTION # 16-07-023

(LEGAL & TITLE CONTROVERSY COMMITTEE)

WHEREAS, a report to the Mineral and Energy Board was presented by David W. Boulet (Secretary, Office of Mineral Resources) of the Sub-Committee meeting held on July 7, 2016 concerning issues with the Proposed New Lease Form;

ON MOTION of Mr. Haik, seconded by Mr. Arnold, the following recommendation was offered and unanimously adopted by the Legal and Title Controversy Committee after discussion and careful consideration:

That the State Mineral and Energy Board hold a special meeting of the Mineral and Energy Board to hear a presentation by Mr. Hollenshead regarding his review of issues relating to a deep rights provision in the Proposed New Lease Form;


WHEREAS, after discussion and careful consideration of the foregoing and the recommendation of the Legal and Title Controversy Committee;

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

NOW THEREFORE, BE IT RESOLVED that a special meeting of the Mineral and Energy Board shall be scheduled to hear a presentation by Mr. Hollenshead regarding his review of issues relating to a deep rights provision in the Proposed New Lease Form.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of July, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



**David W. Boulet, Secretary
State Mineral and Energy Board**

JOHN BEL EDWARDS
GOVERNOR



THOMAS F. HARRIS
SECRETARY

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

DOCKET REVIEW COMMITTEE REPORT

The Docket Review Committee convened at 12:03 p.m. on Wednesday, July 13, 2016. Board Members present were Ms. Carol R. LeBlanc, Mr. Thomas F. Harris, Mr. W. Paul Segura, Jr., Mr. Thomas L. Arnold, Jr., Mr. Emile Cordaro, Mr. J. Todd Hollenshead, Mr. Gregory C. Carter, Mr. Robert D. Watkins and Mr. Theodore M. "Ted" Haik Jr.

The Committee made the following recommendations:

Approve State Agency Lease A on page 1;

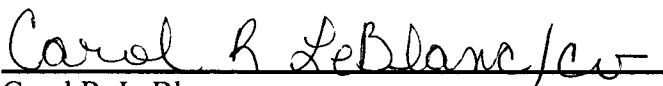
Approve all Assignments on pages 2 through 14;

Approve the following item upon recommendation of the Legal and Title Controversy Committee: Docket Item Nos. 16-22, 16-23, 16-24 and 16-25 on pages 15 and 16.

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

There being no further business to come before the committee, upon motion of Mr. Segura, and seconded by Mr. Haik, the committee voted unanimously to adjourn the meeting at 12:05 p.m.

Respectfully submitted,


Carol R. LeBlanc
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

**Resolution #16-07-024
(DOCKET REVIEW COMMITTEE)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the July 13, 2016 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Vermilion Parish Police Jury, dated November 25, 2015, awarded to Dunn Exploration Company, LLC, covering lands located in the Southeast Quarter of Section 18, Township 12 South, Range 3 East, Vermilion Parish, Louisiana, (Tract 1), containing 0.618 acres, more or less, **AND** in Section 18, Township 12 South, Range 3 East, Vermilion Parish, Louisiana (Tract 2), containing 2.0 acres, more or less, said Tract 1 and Tract 2 containing 2.618 acres, more or less, with further contractual obligations being more enumerated in the instrument.

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-025 (DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Cypress Energy Corporation to LLOLA, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos 21647, 21648, 21649, 21650, 21651, 21652 and 21653, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument.

LLOLA, 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 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-026 (DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 2 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Nine-Weight Energy Partners, LLC to Palmer Petroleum, L.L.C., of all of Assignor's right, title and interest in and to State Lease No. 9600, Red River Parish, Louisiana, with further particulars being stipulated in the instrument.

Palmer Petroleum 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 13th day of July, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-027
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the July 13, 2016, Meeting be approved, said instrument being a Correction of Resolution No. 6 from the March 11, 2015 Meeting, being a Change of Name whereby Chesapeake Operating, Inc. is changing its name to Chesapeake Operating, L.L.C., whereas State Lease No. 16266 was omitted from said resolution and is hereby being added, affecting State Lease Nos. 14988, 14990, 15000, 15421, 15718, 15719, 15720, 15721, 15771, 15773, 15808, 15809, 15873, 15928 and 16266, Beauregard, Evangeline, Pointe Coupee, Rapides, St. Landry and Vernon Parishes, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-028
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Exxon Mobil Corporation to Forza Operating, LLC, of all of Assignor's right, title and interest in and to State Lease No 14589, Lafourche Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers that portion of Section 9, Township 22 South, Range 21 East, as described on Exhibit "A-1" and depicted on Exhibit "A-1", **LIMITED TO** rights and depths from the surface down to 100' below the stratigraphic equivalent of the base of the Tex 15 formation, with further particulars being stipulated in the instrument.

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

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

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

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

3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any 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 13th day of July, 2016, 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



David W Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-029
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Trade Exploration Corp. to Wagner Oil Company, of all of Assignor's right, title and interest in and to State Lease No 4956, St. Martin Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor 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;

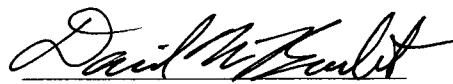
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 13th day of July, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-07-030
(DOCKET REVIEW COMMITTEE)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Wagner Oil Company and Bryan Wagner to Criolla LP, of all of Assignor's right, title and interest in and to State Lease No. 4956, St. Martin Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of July, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-031
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 7 from the July 13, 2016, Meeting be approved, said instrument being a Correction of Resolution No. 5 from the April 13, 2016 Meeting, being an Assignment from The Meridian Resource & Exploration LLC to Integrated Exploration and Production, LLC, whereas the following language..."**INSOFAR AND ONLY INSOFAR AS** to surface boundaries Bayou Biloxi VUA" was omitted and is hereby being added, affecting State Lease No. 17772, St. Bernard 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 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-032 (DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 8 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Swift Energy Operating, LLC to SOLA Energy Resources, LLC, of all of Assignor's right, title and interest in and to State Lease Nos 15873, 16623 and 16642, Vernon and Rapides Parishes, Louisiana, with further particulars being stipulated in the instrument

SOLA Energy Resources, 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 13th day of July, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-033 (DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 9 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Vamos Oil & Gas, LLC to W Oil LLC, of all of Assignor's right, title and interest in and to State Lease No. 18581, Plaquemines Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers and affects acreage contained in the CIB C RA SU A, with further particulars being stipulated in the instrument

W Oil 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 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-034
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10 from the July 13, 2016 Meeting be approved, said instrument being a Change of Name whereby Riley-Huff Energy Group, LLC is changing its name to 1776 Energy Partners, L.L.C., affecting Operating Agreements "A0287" and "A0288", Caldwell 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 13th day of July, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-07-035
(DOCKET REVIEW COMMITTEE)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11 from the July 13, 2016 Meeting be approved, said instrument being an Assignment and Correction of Assignment from Browning Oil Company, Inc. to Neumin Production Company, of an undivided 34% interest in and to State Lease No. 16948, Calcasieu Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers and affects land situated within the boundaries of the HBY RD SU A, with further particulars being stipulated in the instrument

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

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

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

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

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

4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor 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 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-07-036
(DOCKET REVIEW COMMITTEE)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12 from the July 13, 2016 Meeting be approved, said instrument being an Assignment and Correction of Assignment from Neumin Production Company to DeQuincy Holdings, L.L.C., of an undivided 34% interest in and to State Lease No. 16948, Calcasieu Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers and affects land situated within the boundaries of the HBY RD SU A, with further particulars being stipulated in the instrument

DeQuincy Holdings, 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 13th day of July, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-07-037
(DOCKET REVIEW COMMITTEE)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Freeport-McMoRan Oil & Gas LLC to ORX Exploration, Inc., of all of Assignor's right, title and interest in and to State Lease Nos. 21098, 21326, 21327, 21334, 21335, 21336 and 21337, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument

ORX Exploration, 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;

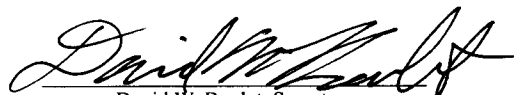
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 13th day of July, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-038
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 14 from the July 13, 2016, Meeting be approved, said instrument being a Correction of Resolution No. 36 from the June 14, 2000 Meeting being an Assignment from The Energy Group, Inc. to Louisiana Oil and Gas Acquisition, LLC, whereas Energy Management Corp. was omitted as an Assignor and is hereby being added, **AND** State Lease Nos. 14400, 14499 and Operating Agreement "A0224" were omitted from the resolution and are hereby being added, affecting State Lease Nos. 12847, 14400, 14499 and Operating Agreement "A0224", Caddo 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 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-039 (DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 15 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Shoreline Southeast LLC to Sunbelt Energy Properties – Bully Camp, L.L.C., of an undivided 11 7/8% interest in and to Operating Agreement "A0317", Lafourche Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said Operating Agreement covers from the surface to the stratigraphic equivalent of 1,000' below the base of the TEX W Sand Formation, **AND** an undivided 1 25% interest, in and to Operating Agreement "A0317", Lafourche Parish, Louisiana, **AS TO** all depths below the stratigraphic equivalent of 1,000' below the base of the TEX W Sand formation, with further particulars being stipulated in the instrument.

Shoreline Southeast 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;

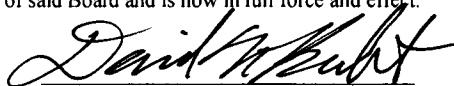
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-040 (DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Anderson Exploration Energy Company, L.C. to Petro-Chem Operating Company, Inc., of all of Assignor's right, title and interest in and to State Lease Nos. 17126, 17734, 18245 and 18276, Bossier Parish, Louisiana, with further particulars being stipulated in the instrument

Petro-Chem Operating Company, 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 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-041 (DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 17 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Browning Oil Company, Inc , of an undivided interest to the following in the proportions set out below

Victoria Gas Corporation	17 0% of 8/8ths
Kenneth C. English	17.0% of 8/8ths
Boyd & McWilliams Energy Group, Inc	4.0% of 8/8ths
Ozark Exploration, Inc F/B/O Smith Oil Company Inc.	4 0% of 8/8ths

in and to State Lease No. 16948, Calcasieu Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers and affects land situated within the boundaries of the HBY RD SUA, with further particulars being stipulated in the instrument

DeQuincy Holdings, 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,

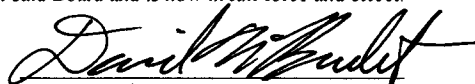
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 13th day of July, 2016, 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.



David W Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-042
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 18 from the July 13, 2016 Meeting be approved, said instrument being an Assignment and Correction of Assignment from Kenneth C English to KCE Oil and Gas, L.P., of all of Assignor's right, title and interest in and to State Lease No 16948, Calcasieu Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers and affects land situated within the boundaries of the HBY RD SUA, with further particulars being stipulated in the instrument

DeQuincy Holdings, 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;

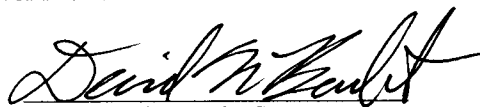
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 13th day of July, 2016, 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



David W Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-043
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 19 from the July 13, 2016 Meeting be approved, said instrument being an Assignment and Correction of Assignment from KCE Oil and Gas, L P to DeQuincy Holdings, L.L.C., of all of Assignor's right, title and interest in and to State Lease No 16948, Calcasieu Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers and affects land situated within the boundaries of the HBY RD SUA, with further particulars being stipulated in the instrument

DeQuincy Holdings, 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,

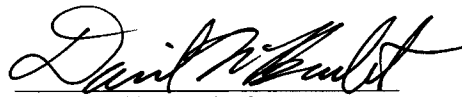
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-044
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 20 from the July 13, 2016 Meeting be approved, said instrument being an Assignment and Correction of Assignment from Victoria Gas Corporation to DeQuincy Holdings, L.L.C., of all of Assignor's right, title and interest in and to State Lease No 16948, Calcasieu Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers and affects land situated within the boundaries of the HBY RD SUA, with further particulars being stipulated in the instrument

DeQuincy Holdings, 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 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-045 (DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 21 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Ozark Exploration, Inc F/B/O Smith Oil Company, Inc. to DeQuincy Holdings, L.L.C., of all of Assignor's right, title and interest in and to State Lease No 16948, Calcasieu Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers and affects land situated within the boundaries of the HBV RD SUA, with further particulars being stipulated in the instrument

DeQuincy Holdings, 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 13th day of July, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-07-046
(DOCKET REVIEW COMMITTEE)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 22 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Boyd & McWilliams Energy Group, Inc to DeQuincy Holdings, L.L.C., of all of Assignor's right, title and interest in and to State Lease No 16948, Calcasieu Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers and affects land situated within the boundaries of the HBY RD SUA, with further particulars being stipulated in the instrument.

DeQuincy Holdings, 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 13th day of July, 2016, 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.



David W Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-047
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 23 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Camterra Resources Partners, Ltd to Enduro Operating LLC, of an undivided 45% of 8/8ths interest in and to State Lease No. 19193, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any 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 13th day of July, 2016, 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



David W Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-048 (DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 24 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Placid Oil Company to Williams Exploration Company, of all of Assignor's right, title and interest in and to State Lease No 2906, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R S 30 128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor 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 13th day of July, 2016, 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.



David W Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-07-049
(DOCKET REVIEW COMMITTEE)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 25 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Comstock Oil & Gas-Louisiana, LLC to Royalty Logistics, LLC, of all of Assignor's right, title and interest in and to State Lease No 17162, Caldwell Parish, Louisiana, with further particulars being stipulated in the instrument.

Royalty Logistics, 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,

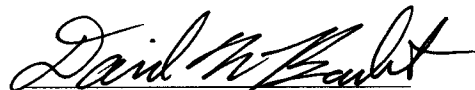
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 13th day of July, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-050
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 26 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Charleston Energy Inc., of all of Assignor's right, title and interest to the following in the proportions set out below

GLS, L L C	20.200000% of 8/8ths
Maraist Oil & Gas, L L C	23 200000% of 8/8ths
Shafter Lake Energy Partners, Ltd	2 000000% of 8/8ths
KSTB Investments L L C	2 600000% of 8/8ths
Delta Production, L L C	2 600000% of 8/8ths
Ogle Enterprises, LLC	2 800000% of 8/8ths
Black Oaks Investments LLC	1 600000% of 8/8ths
Blue Coast Energy, LLC	1 600000% of 8/8ths
Adams Energy LLC	2 000000% of 8/8ths
Mackenroth Interests, L L C	0 200000% of 8/8ths
IDK Investments, L L C	0 200000% of 8/8ths
Buckingham Oil Interests, Inc	10 000000% of 8/8ths
DPH Investment Group - NM, LLC	10 000000% of 8/8ths
Crown Energy Production, Inc	8 000000% of 8/8ths
Barton Operating, L L C	0 800000% of 8/8ths
CMP Partners	1 600000% of 8/8ths
Russo Exploraton, L L C	9 000000% of 8/8ths
Franklin Hebert, L L C	1 600000% of 8/8ths

in and to State Lease Nos 21242 and 21399, St James Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said leases lie within the geographical boundaries of the Operc RB SUA, **AND FURTHER INSOFAR AND ONLY INSOFAR** between the depths of 6,894' and 6,940' in the AX Operating, L L C -S L 21242 ST No 1 Well, with further particulars being stipulated in the instrument

Charleston Energy 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,

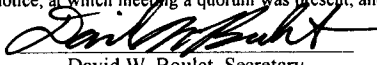
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 13th day of July, 2016, 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


David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-051 (DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 27 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from XPLOR Energy SPV-1, Inc to Forza Operating, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 17277, 17278, 17279, 18043 and 18194, St Bernard Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any 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 13th day of July, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-052 (DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 28 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Forza Operating, LLC, to Fortis Exploration, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 17277, 17278, 17279, 18043 and 18194, St. Bernard Parish, Louisiana, with further particulars being stipulated in the instrument

Fortis Exploration, 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 13th day of July, 2016, 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



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-07-053
(DOCKET REVIEW COMMITTEE)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 29 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Polaris Exploration Corporation to Castex Energy Partners, L.P., of all of Assignor's right, title and interest in and to State Lease No 16446, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-054
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 30 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Castex Energy Partners, L P to Krewe Energy, LLC, of all of Assignor's right, title and interest in and to State Lease No 16446, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument

Krewe Energy, 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 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-07-055
(DOCKET REVIEW COMMITTEE)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 31 from the July 13, 2016 Meeting be approved, said instrument being an Assignment from Carter Resources to BASA Resources, Inc., of all of Assignor's right, title and interest in and to State Lease No. 14889, Bienville Parish, Louisiana, with further particulars being stipulated in the instrument

BASA 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;

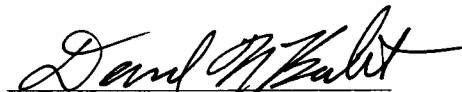
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-056
(DOCKET REVIEW COMMITTEE)

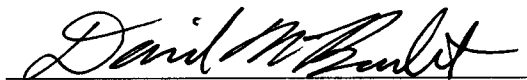
On motion of Mr. Segura, seconded by Mr. Harris, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16-22 from the July 13, 2016 Meeting be approved, said instrument being An Operating Agreement by and between the State Mineral and Energy Board and Achilles Oil, LLC, 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 18.75% before payout, increasing to 19.25% after payout, in and to the operating tract, covering a portion of former State Lease No. 10100, containing 83.71 acres, more or less, Concordia 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 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-057
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16-23 from the July 13, 2016 Meeting be approved, said instrument being a Unitization Agreement by and between the State Mineral and Energy Board and Achilles Oil, LLC, to create an 83.71 acre unit, more or less, identified as the "Achilles Oil LLC- Cocodrie Lake Field- Voluntary Unit", 83.71 acres being attributable to Operating Agreement "A0361" and the remaining acreage being attributable to private ownership, Concordia 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 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-058
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16-24 from the July 13, 2016 Meeting be approved, said instrument being An Operating Agreement by and between the State Mineral and Energy Board and C.T.R. Oil, Inc., 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 20.00% before payout, increasing to 21.00% after payout, in and to the operating tract, covering a portion of former State Lease No. 4477, containing 4.484 acres, more or less, Catahoula 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 13th day of July, 2016, 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.



David W. Boulet, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-07-059 **(DOCKET REVIEW COMMITTEE)**

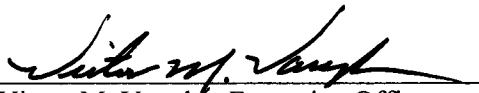
On motion of Mr. Segura, seconded by Mr. Harris, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16-25 from the July 13, 2016, Meeting be approved, said instrument being A Settlement and Release by and between the State of Louisiana and the Plaquemines Parish Government, whereas said parties have reached a settlement in the matter entitled Helis Oil & Gas, L.L.C. v. State of Louisiana, et al., Docket No. 52-061, Division B, 25th Judicial District Court, Plaquemines Parish, affecting State Lease No. 17620, Plaquemines 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 13th day of July, 2016 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.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board