TO: State Mineral and Energy Board Members
FROM: Cristina Vince
Land Specialist 4
Office of Mineral Resources
DATE: July 13, 2022

DOCKET REVIEW REPORT

I. DOCKET REVIEW

A. All items as set forth on the July 13, 2022 Docket are submitted for State Mineral & Energy Board approval within the following categories:
   • Category A: State Agency Leases.
   • Category B: State Lease Transfers.
   • Category C: Department of Wildlife & Fisheries State Agency Lease Transfers.
   • Category D: Advertised Proposals.

The Committee may discuss matters it desires pursuant to R.S. 42:19A(1)(b)(ii)(cc), as well as Executive Session matters pursuant to R.S. 42:17A(2) and R.S. 42:17A(6).
STATE MINERAL AND ENERGY BOARD DOCKET

ITEMS REQUIRING BOARD APPROVAL

July 13, 2022
A. STATE AGENCY LEASES
   JULY 13, 2022

La. R.S. 30:151 identifies the term “agency” as a levee district, drainage district, road district, school district, school board, or other board, commission, parish, municipality, state university, state college, state penal or charitable institution or agency, unit or institution of the state or subdivision thereof.

La. R.S. 30:155 provides that, if an agency does not want the Mineral and Energy Board to do its mineral leasing, it may do its own mineral leasing, the lease given must still be approved by the State Mineral and Energy Board under R.S. 30:158.

La. R.S. 30:156 provides that, if an agency wants to mineral lease its own property, it must follow the same leasing process as the State does, including advertising, sealed bids, etc. La. R.S. 30:158 provides that, if a mineral lease given by an agency of its own property is not approved by the Mineral and Energy Board, it is an absolutely void lease.

Pursuant to the above statutory authority, listed below are leases given by state agencies and submitted for State Mineral and Energy Board approval. The staff examines the documents submitted to make sure that the agency follows all of the steps this office goes through in leasing State owned acreage and that the document has been properly notarized.

No items received for this category.
B. **STATE LEASE TRANSFERS**

**JULY 13, 2022**

**La. R.S. 30:128 (A)** provides that no transfer or assignment in relation to any lease of minerals or mineral rights owned by the state shall be valid unless approved by the State Mineral and Energy Board. Additionally, transfers or assignments shall not be granted to prospective leaseholders that are not currently registered with the Office of Mineral Resources.

This section deals with such transfers of interest in state mineral leases in the form of assignments of rights, subleases, and stipulations of interest. It also deals with transfers such as mergers or changes of names, which act as an assignment of interest to the newly named or emerging entity from a merger. Accompanying each of the items submitted in this section was an Ownership Transfer Form (Form B) listing the pre-transfer ownership interest in the lease and the post-transfer ownership interest. Each document is carefully checked by the staff to ensure that the interest transfer figures are consistent, that our ownership records are complete and that all form requirements are met.

1. **ASSIGNMENT**

   **STATE LEASE NO. 21614**, Terrebonne Parish, Louisiana

   An Assignment from CLS CM II, LP to Castex E&P, LLC, of all of Assignor’s right, title and interest in and to State Lease No. 21614, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

2. **ASSIGNMENT**

   **OPERATING AGREEMENT “A0383”,** Terrebonne Parish, Louisiana

   An Assignment from Castex E&P, LLC to Castex Energy 2021, LLC, of a 0.0604466% interest in and to Operating Agreement “A0383”, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

   **Castex Energy 2021, LLC** is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.
B.  STATE LEASE TRANSFERS
JULY 13, 2022

3.  ASSIGNMENT

STATE LEASE NOS. 22031
and 22032, Vermilion Parish,
Louisiana

An Assignment from Lac Blanc, LLC to Dynamic Energy Investments, LLC, of an undivided 10% working interest in and to State Lease Nos. 22031 and 22032, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

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

4.  ASSIGNMENT

STATE LEASE NOS. 2524
21836, 21837, 21858, 21859,
21860 and 21985, Caddo Parish,
Louisiana

An Assignment from Pine Wave Energy Partners Operating, LLC to Silver Hill Haynesville E&P, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 2524, 21836, 21837, 21858, 21859, 21860 and 21985, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

Silver Hill Haynesville E&P, LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

5.  ASSIGNMENT

STATE LEASE NO. 22041,
Terrebonne Parish, Louisiana

An Assignment from K-Exploration Co. to Sulphur River Exploration, Inc., of all of Assignor's right, title and interest in and to State Lease No. 22041, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

Sulphur River Exploration Inc. is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.
B. STATE LEASE TRANSFERS
JULY 13, 2022

6. ASSIGNMENT

STATE LEASE NO. 22051,
Terrebonne Parish, Louisiana

An Assignment from Pride Oil & Gas Properties, Inc. to Sulphur River Exploration, Inc., of all of Assignor’s right, title and interest in and to State Lease No. 22041, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

7. ASSIGNMENT

STATE LEASE NO. 21695,
Plaquemines Parish, Louisiana

An Assignment from SRX3, LLC to Krewe Du Huile LLC, an undivided 10% of 17.25% of 8/8ths interest in and to State Lease No. 21695, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

8. ASSIGNMENT

STATE LEASE NOS. 16170,
16299, 16300, 16732, 17277,
17278, 17279, 18043 and 18194,
St. Bernard Parish, Louisiana

An Assignment from Yuma Exploration and Production Co., Inc. to Sibley Petroleum Investments, LLC, of all of Assignor’s right, title and interest in and to State Lease Nos. 16170, 16299, 16300, 16732, 17277, 17278, 17279, 18043 and 18194, St. Bernard Parish, Louisiana, with further particulars being stipulated in the instrument.

Sibley Petroleum Investments, LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.
B. STATE LEASE TRANSFERS
JULY 13, 2022

9. ASSIGNMENT

STATE LEASE NO. 17140
Jefferson and St. Charles Parishes, Louisiana

An Assignment from Mack Energy Co., of all of Assignor’s right, title and interest to the following in the proportions set out below:

Northeast Oil Company 94.00%
ExPert Oil & Gas, L.L.C. 6.00%

in and to State Lease No. 17140, Jefferson and St. Charles Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

10. ASSIGNMENT

STATE LEASE NO. 173,
Caddo Parish, Louisiana

An Assignment from H. E. Sutton, et ux to Gemini Exploration, Inc., of all of Assignor’s right, title and interest in and to State Lease No. 173, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

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

11. ASSIGNMENT

STATE LEASE NO. 173,
Caddo Parish, Louisiana

An Assignment from Rock Well Petroleum (U.S.), Inc. to Gemini Exploration, Inc., of all of Assignor’s right, title and interest in and to State Lease No. 173, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

Gemini Exploration, Inc. is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.
C. DEPARTMENT OF WILDLIFE AND FISHERIES STATE AGENCY
LEASE TRANSFERS
JULY 13, 2022

The State Agency Leases require that any transfer of interest be approved by the Agency prior to the transfer. By Co-operative Endeavor Agreement, dated effective December 18, 2009, the Office of Mineral Resources has assumed responsibility for the administration of all State Agency Leases awarded by or on behalf of the said Department of Wildlife and Fisheries.

This section deals with transfers of interests in those State Agency Leases for the Department of Wildlife and Fisheries now under administration by the Office of Mineral Resources as staff of the Louisiana State Mineral and Energy Board and for which approval by the Board is being requested. Accompanying each item submitted in this section was an Ownership Transfer Form (Form-B) listing the pre-transfer and post-transfer interest of all party lease owners in the lease(s) herein set forth. Each document is carefully checked by the staff to ensure that the interest transfer figures are consistent with and reflect the interest in our records; and further, that all form requirements are met.

No items received for this category.
D. ADVERTISED PROPOSALS
JULY 13, 2022

La. R.S. 30:129.1 provides that certain types of agreements entered into by the State with respect
to its mineral leasing activity must be advertised within a specific time of the State Mineral and
Energy Board meeting at which those agreements will be acted on.

These items are called advertised items. They consist of unitization agreements, lease
amendments, gas production contracts, amendments, compromise agreements and other types
of agreements. These items are checked by the staff to make sure that the contents of the
agreement correctly reflect the understanding of all parties, that the form is authentic and
properly notarized and that the items have met the statutory advertisement requirements.

1. OPERATING AGREEMENT (22-10) BOSSIER AND CADDO
   PARISHES, LOUISIANA

An Operating Agreement by and between the State Mineral and Energy Board of the State of
Louisiana, acting for an behalf of the State of Louisiana and BPX Operating Company, 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
20.0% interest before payout increasing to 25.0% after payout, in and to the operating tract,
containing 1.464 acres, more or less, identified as Tract No. 6 within the HA RA SU121 on the unit
survey plat in Exhibit “A” attached hereto as a part hereof, Bossier and Caddo Parishes, Louisiana,
with further particulars being stipulated in the instrument.

2. COMMUNITIZATION AGREEMENT (22-11) STATE LEASE NOS. 2227
   and 21687, Plaquemines
   Parish, Louisiana

A Communitization Agreement presented by Hilcorp Energy, L P., Entech Enterprises, Inc.,
Plaquemines Oil & Development Company, A&D Oil, LLC, Deep Delta Enterprises, LLC and the
State Mineral and Energy Board for and on behalf of the State of Louisiana and the United States
Bureau of Land Management, to create a 158.24 acre unit, more or less, identified as the 10,500
RE SUA Unit, being attributable to State Lease Nos. 2227 and 21687 and the remaining acreage
being attributable to private ownership and Federal Leases, Plaquemines Parish, Louisiana, with
further particulars being stipulated in the instrument.