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SECRETARY

State of Louisiana

DEPARTMENT OF NATURAL RESOURCES
OFFICE OF MINERAL RESOURCES
STATE MINERAL AND ENERGY BOARD

TO: STATE MINERAL AND ENERGY BOARD MEMBERS

FROM: FREDERICK D. HECK
PETROLEUM LANDS DIRECTOR
OFFICE OF MINERAL RESOURCES

DATE: FEBRUARY 8, 2012

LEGAL AND TITLE CONTROVERSY COMMITTEE AGENDA

The regular meeting of the Legal and Title Controversy Committee of the State Mineral and Energy Board will be held on February 8, 2012, following the Audit Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building located at 617 North Third Street, Baton Rouge, Louisiana.

Items on the Agenda are as follows:

1. A request by Swift Energy Operating, LLC for the waiver of all or a portion of the liquidated damage assessments levied on the late partial releases of the following state leases:

   (a) State Lease No. 18668 in the amount of $46,400.00, Plaquemines Parish, Louisiana

   (b) State Lease No. 18669 in the amount of $46,400.00, Plaquemines Parish, Louisiana

2. A request by Aspect Resources, LLC and Aspect Energy, LLC for the waiver of all or a portion of the liquidated damage assessments levied on the late assignments of the following state leases:

   (a) State Lease No. 16046, 16049, and 16051 in the amount of $1,000.00, St. Mary Parish, Louisiana;

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(b) State Lease No. 15502 in the amount of $1,000.00, Calcasieu Parish, Louisiana;

(c) State Lease No. 15502 in the amount of $1,000.00, Calcasieu Parish, Louisiana;

(d) State Lease No. 16505 and 17721 in the amount of $1,000.00, Jefferson Davis Parish, Louisiana;

(e) State Lease No. 16505 in the amount of $1,000.00, Jefferson Davis Parish, Louisiana;

(f) State Lease No. 17721 in the amount of $1,000.00, Jefferson Davis Parish, Louisiana; and

(g) State Lease No. 18529 in the amount of $1,000.00, Jefferson Davis Parish, Louisiana.

3. A request for final approval of a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board, Hilcorp Energy I, L.P. and Exxon Mobil Corporation, whereas said parties desire to amend said lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 711, St. Martin Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-07.

4. A request for final approval of a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board, Hilcorp Energy I, L.P., Exxon Mobil Corporation and Hunt Oil Company of Louisiana, Inc., whereas said parties desire to amend said lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 1392, St. Martin Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-08.

5. A request for final approval of a Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board, Harvest Operating, LLC and MP31 Investments, LLC, whereas said parties desire to amend said lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 12002, St. Martin Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-09.

6. A request for final approval of a Compromise and Settlement Agreement by and between the State of Louisiana, through the State Mineral and Energy Board and Exxon Mobil Corporation, covering certain areas of Little White Lake whereby the State gets 65% and Exxon Mobil Corporation gets 35% of any production from the Compromise Area in Vermilion Parish, Louisiana, affecting State Lease Nos. 16995, 17208, 17226 and 19641, Little White Lake, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-10.

7. A request for final approval of an Operating Agreement by and between the State of Louisiana, through the State Mineral and Energy Board and Donegal Energy, 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 22.5% before payout, increasing to 23 % after payout, in and to the Operating Tract, whereas Operator desires and intends to obtain production from existing unit wells and farmout to drill another unit well, containing 240.25 acres, more or less, covering all of that portion of State Lease No. 19282, lying outside of the confines of the composite of 11,200' VUA and 9,800' VUA, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-11.

8. A request by QEP Energy Company for authority to escrow funds in regard to title disputed acreage with the Parish of Caddo as it pertains to State Lease No. 5664, Section 8 15N 12W, Caddo Parish, Louisiana.

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

10. A discussion in executive session of the suit entitled: Comstock Oil & Gas-Louisiana, L.L.C. v. State of Louisiana, Louisiana State Mineral and Energy Board, and Louisiana State Land Office, Suit No. 64288, 11th Judicial District Court, Sabine Parish.

11. A discussion in executive session of the suit entitled: Chesapeake Operating, Inc. and Chesapeake Louisiana, L.P. v. The State Mineral and Energy Board of Louisiana, et al, Suit No. 35514, 39th Judicial District Court, Red River Parish.

The Committee may discuss other matters as it desires pursuant to La. R.S. 42:7(A)(1)(b)(ii), including matters which may validly be held in executive session pursuant to La. R. S. 42:6, especially 42:6(1)(A)(2)&(6).