

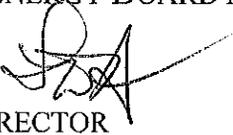
BOBBY JINDAL
GOVERNOR



SCOTT A. ANGELLE
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: MARCH 14, 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 March 14, 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;

- (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 Division Order and Agreement by and between the Louisiana State Mineral and Energy Board, Rosemonde Kuntz Capomazza, individually and as agent for Rosemonde Kuntz Capomazza, Special, Karolyn Kuntz Wetervelt, individually and as agent for Karolyn Kuntz Westervelt, Special, Emile Scott Duvic, Eugenie Duvic, Herbert F. Duvic, III, Carlo Emilio Capomazza and Stefano DeRuggero Capomazza, whereas said parties desire to provide for the allocation and distribution of production proceeds from Tract 8 of the ROB L RA SUA, affecting State Lease No. 18380, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-13.
4. A request by Trinity Exploration & Production, LLC for a three (3) month extension of the authority to escrow funds granted at the November 9, 2011 Meeting of the Legal & Title Controversy Committee Meeting in regard to royalties attributable to production from disputed acreage contained within the HA RA SUBB and allocated to State Lease No. 20039i, Red River Parish, Louisiana.
5. A request by Staff to assess liquidated damages in the amount of \$1,000.00, per R.S. 30:136(B)(2) against Cohort Energy Company for nonpayment of royalties on State Lease No. 16531. A further request by Staff to assess additional penalties pursuant to R.S. 30:136(B)(3) for nonpayment of royalties more than sixty (60) days past due.

6. A request by Midstates Petroleum Company LLC for an Operating Agreement on the Northwest quarter of the northwest quarter of Section 27, Township 6 South, Range 11 West, South Bearhead Creek Field, Beauregard Parish, Louisiana and Midstates Petroleum Company LLC further requests that the acreage in question be deemed unavailable for leasing pending the confection of said operating agreement for a period not to exceed ninety (90) days after the Board has authorized negotiations and that it be allowed to escrow royalties for ninety (90) days after the Board has authorized negotiations.
7. A request by Staff to amend the lease form to require State lessees to report production from State leases by well serial number to the Office of Mineral Resources and the Office of Conservation as well as by LUW code, when a present lessee requests to add force majeure or otherwise amend the lease, make it a board policy to require that lease amendment add a paragraph requiring the lessees, its assigns and successors, to report production from the lease by well serial number as well as LUW code and that the Board make an official request to the Office of Conservation, as it applies to State leases only, to require operators to report production, whether unit or lease, on a well serial number basis as well as LUW code basis.
8. A notification to the Mineral Board of staff consideration, for further discussion at a later Board meeting, of a proposal to unify the primary term limit for both inland and offshore leases at five (5) years due to the proliferation of deep well drilling and the additional time required to prepare for and actually drill said deep wells.
9. A discussion in executive session of the suit entitled: Chesapeake Louisiana LP vs. The State Mineral and Energy Board of Louisiana et al, Suit No. 35525, 39th Judicial District Court, Red River Parish, State of Louisiana.

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).