

**BOBBY JINDAL**  
GOVERNOR



**STEPHEN CHUSTZ**  
SECRETARY

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

TO: State Mineral Board Members

FROM: Rachel Newman, CPA   
Audit Director  
Mineral Income Division

DATE: July 10, 2013

**Audit Committee Meeting Agenda**

A meeting of the Audit Committee of the State Mineral and Energy Board will be held on Wednesday, July 10, 2013, following the Nomination and Tract Committee Meeting, in the LaBelle Room, First Floor, and LaSalle Building, located at 617 North Third Street, Baton Rouge, Louisiana.

Items on the agenda are as follows:

1. A penalty waiver request from Encana Oil & Gas (USA), Inc. for a penalty in the amount of \$14,821.57 which was billed for late payment of royalty. Encana Oil & Gas paid the state a total of \$56,649.19 in late royalty for the disposition date of October 2012. The payment was received on April 25, 2013. This payment was not related to a field audit. Encana Oil & Gas (USA), Inc. was billed and paid \$5,525.12 in interest charges on June 17, 2013.
2. A request to place Diasu Oil & Gas Co., Inc. on demand for unpaid penalty billings and a failure to submit state royalty reports.
3. A request to place Eagle Energy Development Co. on demand for a failure to submit state royalty reports.
4. A request to place Smith Production Co. on demand for a failure to submit state royalty reports.
5. A request to place Texon Corporation on demand for a failure to submit state royalty reports.
6. Staff report to the committee that the election for July 2013 gas royalty is 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.

The Committee may discuss matters it desires pursuant to R.S. 42:7(A)(1)(b)(ii) as well as Executive Session matters pursuant to R.S. 42:6.1(A)(2) and R.S. 42:6.1(A)(6).