



**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 *RN*  
Audit Director  
Mineral Income Division

DATE: November 13, 2013

Audit Committee Meeting Agenda

A meeting of the Audit Committee of the State Mineral and Energy Board will be held on Wednesday, November 13, 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. An additional request on a recoupment from Gulf Production Company, Inc. approved on August 14, 2013. The State Mineral and Energy Board approved Gulf Production Company to recoup an overpayment in the amount of \$38,118.90 from future royalties. Gulf Production Company, Inc. has since requested repayment in the form of a check.
2. A recoupment request from Contango Operators Inc. for an overpayment in the amount of \$25,714.33. The state lease number involved is 19266. For the sales month of February 2013, Contango Operators Inc. paid oil royalties based on an incorrect volume.
3. A recoupment request from Hilcorp Energy Co. for an overpayment in the amount of \$56,927.75. The LUW code involved is 530853. For the sales month of January 2010, Hilcorp Energy Co. paid oil royalties on the above LUW for which the state has no interest.
4. A request to place KCS Resources (BHP Billiton, LLC) on demand for audit exceptions and unpaid royalties which were the result of a limited scope field audit.
5. Staff report to the committee that the election for November 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).