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STEPHEN CHUSTZ  
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: Victor M. Vaughn *VMV*  
Geologist Administrator  
Geological & Engineering Division

DATE: July 9, 2014

**Lease Review Committee Agenda**

The regular meeting of the Lease Review Committee of the State Mineral and Energy Board is scheduled to be held on Wednesday, July 9, 2014 at 9:30 am in the LaBelle Room, First Floor, LaSalle Building, located at 617 North Third Street, Baton Rouge, Louisiana.

**I. Geological and Engineering Staff Review**

According to the SONRIS database there are 1,801 active State Leases containing approximately 751,000 acres. Since the last Lease Review Committee meeting, the Geological and Engineering Division has reviewed 119 leases covering 36,000 acres for lease maintenance and development issues.

**II. Committee Review**

1. A staff report on the development status of **State Lease 1217**, Bay De Chene Field, Jefferson and Lafourche Parishes. Swift Energy Operating, LLC is the lessee.

**III. Force Majeure Report**

Hilcorp Energy Company requests recognition of a force majeure event that occurred after Hurricane Isaac in 2012, affecting State Lease Nos. 17193 and 17381. The well was shut-in on August 27, 2012 and remained shut-in for a period of 97 days. However, due to a computer error in allocating production in their lease tracking system, Hilcorp failed to notice that the lease was in jeopardy of expiring and furthermore, failed to notify the OMR staff within 90 days of the force majeure event. Since this notice occurred greater than 90 days after the event, Hilcorp requests that the Board recognize the event for extenuating circumstances in accordance with the 2005 Force Majeure Policy.

Force Majeure Report Summary - Updated 06/30/2014

Company Name	Lease Numbers
Leases Off Production Due to Non-Storm Related Force Majeure Events	
Energy Properties Inc.	725 (September'2014)

The Committee may discuss other matters as 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).