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THOMAS F. HARRIS
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: Cristina Vince
Land Specialist 4
Office of Mineral Resources

DATE: October 14, 2020

DOCKET REVIEW REPORT

I. DOCKET REVIEW

- A. All items as set forth on the October 14, 2020 Docket are submitted for State Mineral & Energy Board approval within the following categories:
- Category A: State Agency Leases.
 - Category B: State Lease Transfers.
 - Category C: Department of Wildlife & Fisheries State Agency Lease Transfers.
 - Category D: Advertised Proposals.

The Committee may discuss matters it desires pursuant to R.S. 42:19A(1)(b)(ii)(cc), as well as Executive Session matters pursuant to R.S. 42:17A(2) and R.S. 42:17A(6).

**STATE MINERAL AND ENERGY BOARD
DOCKET**

ITEMS REQUIRING BOARD APPROVAL

October 14, 2020

**A. STATE AGENCY LEASES
OCTOBER 14, 2020**

La. R.S. 30:151 identifies the term “agency” as a levee district, drainage district, road district, school district, school board, or other board, commission, parish, municipality, state university, state college, state penal or charitable institution or agency, unit or institution of the state or subdivision thereof.

La. R.S. 30:155 provides that, if an agency does not want the Mineral and Energy Board to do its mineral leasing, it may do its own mineral leasing, the lease given must still be approved by the State Mineral and Energy Board under R.S. 30:158.

La. R.S. 30:156 provides that, if an agency wants to mineral lease its own property, it must follow the same leasing process as the State does, including advertising, sealed bids, etc.

La. R.S. 30:158 provides that, if a mineral lease given by an agency of its own property is not approved by the Mineral and Energy Board, it is an absolutely void lease.

Pursuant to the above statutory authority, listed below are leases given by state agencies and submitted for State Mineral and Energy Board approval. The staff examines the documents submitted to make sure that the agency follows all of the steps this office goes through in leasing State owned acreage and that the document has been properly notarized.

1. STATE AGENCY LEASE (A) PLAQUEMINES PARISH,
LOUISIANA

An Oil, Gas and Mineral Lease from the Plaquemines Parish Government, dated May 28, 2020, awarded to Hilcorp Energy I, L.P., covering lands located in a portion of Section 1, T21S, R26E, situated in the North half of the Northwest Quarter, containing approximately 34 acres, more or less, with further contractual obligations being more enumerated in the instrument.

BIDDER AND LESSEE	: Hilcorp Energy I, L.P.
BONUS	: \$7,480.00 (\$220.00/acre)
RENTAL	: \$3,740.00
ROYALTY	: 25% on oil, gas and other minerals
TERM	: Three years

**B. STATE LEASE TRANSFERS
OCTOBER 14, 2020**

La. R.S. 30:128 (A) provides that no transfer or assignment in relation to any lease of minerals or mineral rights owned by the state shall be valid unless approved by the State Mineral and Energy Board. Additionally, transfers or assignments shall not be granted to prospective leaseholders that are not currently registered with the Office of Mineral Resources.

This section deals with such transfers of interest in state mineral leases in the form of assignments of rights, subleases, and stipulations of interest. It also deals with transfers such as mergers or changes of names, which act as an assignment of interest to the newly named or emerging entity from a merger. Accompanying each of the items submitted in this section was an Ownership Transfer Form (Form B) listing the pre-transfer ownership interest in the lease and the post-transfer ownership interest. Each document is carefully checked by the staff to ensure that the interest transfer figures are consistent, that our ownership records are complete and that all form requirements are met.

1. ASSIGNMENT

STATE LEASE NOS. 378,
5683, 14108, 19531, 20035,
20219, 20220, 20221, 20222,
20223, 20224, 20367, 20368,
20369, 20526, 20527, 20528,
20529, 20530, 20753, 21608,
21614, 21615 and 21616,
Lafourche, St. Mary and
Terrebonne Parishes, Louisiana

An Assignment from Castex Energy Partners, LLC to Talos Third Coast LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 378, 5683, 14108, 19531, 20035, 20219, 20220, 20221, 20222, 20223, 20224, 20367, 20368, 20369, 20526, 20527, 20528, 20529, 20530, 20753, 21608, 21614, 21615 and 21616, Lafourche, St. Mary and Terrebonne Parishes, Louisiana, with further particulars being stipulated in the instrument.

Talos Third Coast LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**B. STATE LEASE TRANSFERS
OCTOBER 14, 2020**

2. ASSIGNMENT

STATE LEASE NO. 340
Cote Blanche Island Field,
St. Mary Parish, Louisiana

An Assignment from The Meridian Resource & Exploration, LLC to Viceroy Petroleum, LP, of all of Assignor's right, title and interest in and to a portion of State Lease No. 340 described on "Exhibit A", Cote Blanche Island Field St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

Viceroy Petroleum, LP is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

3. ASSIGNMENT

OPERATING AGREEMENT "A0305",
Jackson Parish, Louisiana

An Assignment from Range Louisiana Operating, LLC to Castleton TVL LLC, of all of Assignor's right, title and interest in and to Operating Agreement "A0305", Jackson Parish, Louisiana, with further particulars being stipulated in the instrument.

Castleton TVL LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

4. ASSIGNMENT

STATE LEASE NOS. 18165,
21187, 21692, 21693, 21694
and 21695, Plaquemines Parish,
Louisiana

An Assignment from Deep South Energy, Inc. to Martin Energy LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 18165, 21187, 21692, 21693, 21694 and 21695, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Martin Energy LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**B. STATE LEASE TRANSFERS
OCTOBER 14, 2020**

5. SUBLEASE AND AMENDMENT OF SUBLEASE STATE LEASE NO. 19831
DeSoto Parish, Louisiana

A Sublease and Amendment of Sublease from Indigo Minerals LLC to Key Exploration Ltd. of Texas, of all of Assignor's right, title and interest in and to State Lease No. 19831, DeSoto Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease is situated in Sec 31 and S/2 of Sec 32, T14N, R12W and Sec. 4 and N/2 of Sec. 5, T13N, R12W, with further particulars being stipulated in the instrument.

Key Exploration Ltd. of Texas is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

6. ASSIGNMENT STATE LEASE NO. 21872,
Caddo Parish, Louisiana

An Assignment from Mammoth Minerals, LLC to USG Properties Haynesville, LLC, of all of Assignor's right, title and interest in and to State Lease No. 21872. Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

USG Properties Haynesville, LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**C. DEPARTMENT OF WILDLIFE AND FISHERIES STATE AGENCY
LEASE TRANSFERS
OCTOBER 14, 2020**

The State Agency Leases require that any transfer of interest be approved by the Agency prior to the transfer. By Co-operative Endeavor Agreement, dated effective December 18, 2009, the Office of Mineral Resources has assumed responsibility for the administration of all State Agency Leases awarded by or on behalf of the said Department of Wildlife and Fisheries.

This section deals with transfers of interests in those State Agency Leases for the Department of Wildlife and Fisheries now under administration by the Office of Mineral Resources as staff of the Louisiana State Mineral and Energy Board and for which approval by the Board is being requested. Accompanying each item submitted in this section was an Ownership Transfer Form (Form-B) listing the pre-transfer and post-transfer interest of a l party lease owners in the lease(s) herein set forth. Each document is carefully checked by the staff to ensure that the interest transfer figures are consistent with and reflect the interest in our records; and further, that all form requirements are met.

No items received for this category.

**D. ADVERTISED PROPOSALS
OCTOBER 14, 2020**

La. R.S. 30:129.1 provides that certain types of agreements entered into by the State with respect to its mineral leasing activity must be advertised within a specific time of the State Mineral and Energy Board meeting at which those agreements will be acted on.

These items are called advertised items. They consist of unitization agreements, lease amendments, gas production contracts, amendments, compromise agreements and other types of agreements. These items are checked by the staff to make sure that the contents of the agreement correctly reflect the understanding of all parties, that the form is authentic and properly notarized and that the items have met the statutory advertisement requirements.

1. LEASE AMENDMENT (20-07)

STATE LEASE NOS. 16473
and 16475, Cameron Parish,
Louisiana

A Lease Amendment by and between the State of Louisiana, acting through its agency, the Louisiana State Mineral & Energy Board, Fieldwood Energy LLC and Apache Shelf Exploration LLC, whereas said parties desire to amend said leases to include oil shut in language to these leases, affecting State Lease Nos. 16473 and 16475, Hog Bayou Field, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.