

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: JASON TALBOT, PETROLEUM SCIENTIST MANAGER M CHARLES BRADBURY, P.E.
- DATE: DECEMBER 8, 2021

LEASE REVIEW REPORT

I. <u>GEOLOGICAL AND ENGINEERING STAFF REVIEW</u>

According to the SONRIS database, there are 1,048 active State Leases containing approximately 457,783 acres. Since the last Lease Review Report, the Geological and Engineering Division reviewed 105 leases covering approximately 30,972 acres for lease maintenance.

II. BOARD REVIEW

1. There are no State Lease items to bring before the Board today.

III. FORCE MAJEURE

HURRICANE IDA

 Krewe Energy LLC and S2 Energy Operating LLC requests an additional one (1) month extension to the force majeure recognition for State Lease Nos. 192PP and 1772 in Timbalier Bay Field, Lafourche Parish, Louisiana. These leases were originally shut-in in 2020 due to storm damage from Hurricane Zeta and other storms. They have completed the repairs to the facilities; however, they are waiting on the gas pipeline company to finish its repairs to reconnect to the facility.

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- Lobo Operating Inc. (LOBO) requests that the Board accept a late shut-in payment for State Lease Nos. 16392, 16393 and 16570 in Main Pass Block 25 Field, Plaquemines Parish, Louisiana. These leases were shut-in originally on June 29, 2021 due to flowline damaged by a passing vessel. The leases had a critical date of September 27, 2021 and will expire without the Board's acceptance of this late shut-in payment.
- 3. The Office of Mineral Resources recognized the following leases as having an existing force majeure condition caused by Hurricane Ida for the period of August 25, 2021 through March 9, 2022 or until production is restored whichever is first. These reports were all received timely. The operators were all instructed to submit reports no later than the first of each month on the status of efforts to restore the leases to production.

Company	State Leases	Parish(es)
Cox Oil Company (Energy XXI GOM LLC)	1349, 2220, 2221, 4039, 4147, 15941, 16158	Plaquemines, Saint Bernard
Hilcorp Energy Company	10439	Plaquemines
Key Operating & Production Company, LLC	16170, 16299, 16300, 16732, 17277, 17278, 17279, 18043, 18194	Saint Bernard
Lobo Operating Inc.	16432	Plaquemines
Mack Energy Co.	17140	Lafourche
Perdido Energy LLC	1908	Lafourche
Talos ERT LLC	20581	Plaquemines