



May 2, 2019

by email to Suzanne at [suzanna.hyatt@la.gov](mailto:suzanna.hyatt@la.gov)

**To: Louisiana State Mineral and Energy Board  
Office of Mineral Resources**

Re: May 2019 Mineral Board Meeting

This letter is with reference to the Memorandum dated May 1, 2019 (“Memorandum”) submitted by Cynthia Nicholson and Peck Hayne regarding proposed revisions to the State’s oil and gas lease form. I support these comments and reiterate that while it’s appropriate to update the State Lease form to some extent, I do not feel that it is in the best interest of the State or the industry to make the lease form more onerous to operators for the reasons cited in the Memorandum.

My specific comments on certain issues:

1. I support the efforts to amend the lease form to have deep rights released from new State leases, but I do not agree with the way the State has revised this provision. I do support the suggested language in the Memorandum.
2. I support the Memorandum’s comments on Article 4, particularly the suggestion that the State follow the approach of the federal government.
3. It seems like a lot of the issues are not necessarily in dispute, but the language proposed by the State does not take into consideration the full effect of the changes. Also, while the Board has decided to review and adopt each provision one at a time, it is important that the Board take into consideration, the impact of each such change on all of the other provisions of the lease form.

As I have mentioned before, Louisiana competes with other states for investments in oil/gas exploration and development and we are losing that battle at the present time due to the quality of opportunities elsewhere and the difficulties that operators face in Louisiana.

Please advise should you have any questions.

Regards,

David A. Seay  
Land Manager  
LLOLA, L.L.C.  
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