

**STATE MINERAL & ENERGY BOARD**  
**REQUIREMENTS FOR TRANSFERS OF INTEREST, PREPARATION OF**  
**FORMS B AND C, DOCKET ITEMS REQUIRING ADVERTISEMENT, AND**  
**RELEASES**

The following requirements have been established by the State Mineral & Energy Board in conjunction with requests for approval of transfers of interest in and releases of state mineral leases, as well as docket items requiring advertisement. **ALL DATA**, where applicable, shall be furnished **prior** to consideration being given by the Board.

**A. REGISTRATION**

1. All prospective and current leaseholders of state mineral leases shall register certain information and proof of authorization to do business in the state of Louisiana with the Office of Mineral Resources and thereafter renew their registration by January thirty-first (31<sup>st</sup>) of each year. LSA-R.S. 30:125(B). Transfers or assignments of state mineral leases shall not be granted to prospective leaseholders that are not currently registered with the Office of Mineral Resources. LSA-R.S. 30:128(A).

2. Registration consists of submitting a completed official Prospective Leaseholder Registration Form and a certificate from the secretary of State to the Office of Mineral Resources as follows: individual/sole proprietorship – no certificate required; corporation – good standing certificate; limited liability company – good standing certificate; and partnership – existence certificate. The official Prospective Leaseholder Registration Form is available online at [http://dnr.louisiana.gov/assets/OMR/media/forms\\_pubs/RegistrationForm.pdf](http://dnr.louisiana.gov/assets/OMR/media/forms_pubs/RegistrationForm.pdf).

**B. REQUIREMENTS FOR TRANSFERS OF WORKING INTEREST**

1. Please submit **two (2) fully executed (originally signed) or one (1) originally certified recorded** document **PLUS, whatever number of instruments you wish to have approved and returned to you.** Following Board action, the approval resolution is attached to your original signed copy(ies) and you are requested to record same in the appropriate parish(es) and furnish this office with the recording information. If you have submitted **certified recorded documents**, you only need to record the Resolution in the appropriate Parish(es).

2. All transfers of working interest documents must contain the **State Lease Number(s)**.

3. Both **ASSIGNOR and ASSIGNEE** must join in the execution of the instruments transferring such working interest, or "**ACCEPTANCE BY ASSIGNEE**" forms be executed by the Assignee, witnessed and notarized with sufficient copies submitted to attach to each copy of the instrument.

An Acceptance by Assignee form can be found on the Office of Mineral Resources forms webpage at [http://dnr.louisiana.gov/assets/OMR/media/forms\\_pubs/acceptance-by-assignee.pdf](http://dnr.louisiana.gov/assets/OMR/media/forms_pubs/acceptance-by-assignee.pdf).

4. If **ASSIGNOR or ASSIGNEE** is an individual, his/her **marital status must** be stated in the instrument and, if applicable, the **spouse's signature** is required.

5. **All signatures must be acknowledged AND must have two (2) witnesses. Every signature must have printed names underneath.**

6. Transfers of an interest in a portion of a lease shall in the case of unitized acreage, contain a proper written legal description of the unit accompanied by a survey plat of the unit and, in the case of other than unitized acreage, contain a proper written legal description of the portion into which the interest is transferred accompanied by a clear, accurate illustrative plat of the said portion being assigned.

7. **A Form B reflecting only the gross working interest in the lease existing before and after the conveyance** - no net revenue interests are to be considered or reported, pursuant to Board Policy Resolution dated September 9, 1965 must accompany the transfer of interest. Whenever a working interest ownership change occurs after payout a separate assignment showing the gross working interest transferred accompanied by a Form B showing after payout gross working interest in the lease shall be sent to the Office of Mineral Resources for docketing and State Mineral & Energy Board approval. A Form B can be found on the Office of Mineral Resources forms webpage at [http://dnr.louisiana.gov/assets/OMR/media/forms\\_pubs/Form\\_B\\_9-9-15.pdf](http://dnr.louisiana.gov/assets/OMR/media/forms_pubs/Form_B_9-9-15.pdf). Instructions on filling out the Form B are set forth in Section D hereinbelow.

8. **A Form C certifying the bankruptcy status for the Assignor and Assignee**, in accordance with Board Policy Resolution dated September 9, 2015 must accompany the transfer of interest. A Form C can be found on the Office of Mineral Resources forms webpage at [http://dnr.louisiana.gov/assets/OMR/media/forms\\_pubs/Form\\_C\\_9-9-15.pdf](http://dnr.louisiana.gov/assets/OMR/media/forms_pubs/Form_C_9-9-15.pdf).

9. Each separate transfer of interest instrument and each instrument of any other kind submitted for docketing, which do not require advertisement, shall be accompanied by a check for One Hundred Dollars (\$100.00) **per state lease number in accordance with the Policy Resolution dated July 8, 2015** made payable to the Office of Mineral Resources or the State Mineral & Energy Board. The deadline for submission of items to be docketed and the accompanying fee is the date of the State mineral lease sale - which is the second Wednesday of the month - for the month prior to the lease sale date the docketed item is to appear for approval by the State Mineral & Energy Board. Failure to send the appropriate fee with the item submitted for docketing shall result in the submitted item not being placed on the docket.

10. **ACT NO. 114, EFFECTIVE MAY 26, 1993, as amended by Act 169, effective June 9, 1999**, states that failure to obtain approval of the Board of any transfer or assignment of a lease within sixty days (60) of execution of the transfer or assignment shall subject the transferor or assignor to a civil penalty of one hundred dollars (\$100.00) per day beginning on the sixty- first (61) day following the execution of the transfer or assignment. The penalty shall continue to accrue on a daily basis up to a maximum of One Thousand Dollars (\$1,000.00).

11. No mortgages or assignments of override interest will be accepted for docketing by the Office of Mineral Resources.

### C. REQUIREMENTS FOR DOCKET ITEMS REQUIRING ADVERTISEMENT

1. For docket items requiring advertisement, including but not limited to, unit agreements, operating agreements, lease amendments, gas production contracts, consent letters and settlements, **two (2) fully executed (originally signed, witnessed by two (2) witnesses with printed names underneath and duly acknowledged) instruments PLUS whatever number of additional instruments you wish to have returned to you** shall be submitted to the Office of Mineral Resources together with a check made payable to the Office of Mineral Resources or the State Mineral & Energy Board in the full amount of Five Hundred Dollars (\$500.00), to cover administration costs and advertisement, no later than the date of the monthly State mineral lease sale-which is the **second Wednesday of each month-** of the month before the said advertised item is to be placed on the docket for formal approval by the State Mineral & Energy Board. Failure to send the appropriate fee with the item submitted for docketing shall result in the submitted item not being advertised or placed on the docket for final approval.

If further information or explanation is desired for transfers of interest and all other docket requirements, you may call: Cristina Vince, Land Specialist 4 - (225) 342-5002.

### D. INSTRUCTIONS FOR PREPARATION OF STATEMENT OF CONVEYANCE (FORM B)

1. EFFECTIVE DATE OF TRANSFER - The date entered here should be the Date of the Lease Sale on which the transfer will be approved.

2. STATE LEASE - The State Lease Number should be entered here. *Note:* In the case of conveyance of interest in one lease by one person or firm to more than one transferee, only one Form B should be filed.

3. CONVEYOR'S NAME & ADDRESS - The name and address of the person or firm making the transfer should be entered here.

4. OWNER'S INTEREST BEFORE CONVEYANCE - This is the conveyor's gross working interest prior to the conveyance. This interest should be shown as a 7 place decimal.

5. OWNER'S INTEREST AFTER CONVEYANCE - This is the conveyor's gross working interest after conveyance. This interest should be shown as a 7 place decimal.

6. INTEREST CONVEYED BY OWNER - This is the total amount of gross working interest being transferred by the conveyor. This amount should be shown as a 7 place decimal.

7. NAME & ADDRESS OF TRANSFEREE(S) - The name and address of the person or firm to which the interest is being conveyed should be entered here.

8. GROSS WORKING INTEREST - The amount of gross working interest being conveyed to the transferee should be entered in this column. This interest should be shown as a 7 place decimal.

9. TOTAL - This total should match the Interest Conveyed by Owner amount.

10. PORTION DESCRIPTION - If a conveyance is restricted to a portion of the lease, the From B should describe the portion of the lease in which the conveyance is effective and decimals used should be based on such portion. For example, in a case where the Assignment pertains to the south half of a State Lease, the decimals used should be restricted to the south half of the lease. Thus, the south half of the lease should be treated as a separate property and the ownership interests in the property and on which the conveyance is based, should add up to the decimal one. Similarly, a conveyance of deep rights should be treated as a separate property.

If further information or explanation is desired for preparation of Form "B", you may call: Michael Romig, Land Specialist 3 - (225) 342-8863.

#### **E. INFORMATION REQUIRED FOR RELEASES**

1. Releases of all or an acreage portion of a lease **must** be recorded in the parish or parishes wherein the lease is recorded prior to being sent and **one (1) certified copy containing recording information** sent to the Office of Mineral Resources. **Please note** that the lease, or acreage portion thereof, **is not considered to be released** until a full One Hundred Percent (100%) of the working interest owners, as set forth in the Lease Ownership Records of the Office of Mineral Resources, have executed a release of their respective working interests in the lease. Accordingly, a release of all or an acreage portion of a lease **must be signed by all of the working interest owners with printed names underneath all signatures, as set forth in the Lease Ownership Records of the Office of Mineral Resources, each signature must be witnessed by two (2) witnesses with printed names underneath and duly acknowledged prior to being recorded and sent to the Office of Mineral Resources.** If the release to be submitted is of less than a One Hundred Percent (100%) working interest in the lease, or portion thereof, **one (1) certified copies signed by the working interest owners desiring to release their proportionate working interests, duly acknowledged and witnessed by two (2) witnesses** shall be sent to the Office of Mineral Resources.

2. All releases, whether of the entirety or a portion of a state mineral lease, must contain the **State Lease Number**.

3. If the release is of an acreage portion and not the entirety of a state mineral lease, the instrument shall contain a clear, proper legal description of the **acreage retained and released** as described by **Lambert Coordinates** where appropriate and applicable and the lease is so described together with the **amount of acreage retained and released** accompanied by an accurate **PLAT** described by **Lambert Coordinates** of the retained and released acreage pursuant to a Mineral Board Policy Resolution dated May 13, 1970.

4. When the lease to be released contains **Paragraph 7(c)** pertaining to a penalty of One Hundred Dollars (\$100.00) per day beginning on the Thirty-first (31<sup>st</sup>) or the Ninety-first (91<sup>st</sup>) day, (whichever is applicable according lease language) following termination of the lease, in its entirety or as to an acreage portion thereof, to be levied against and collected from the Lessee (which includes all working interest owners jointly, severally and in solido), said penalty continues to accrue until the properly signed and executed release, as herein above set forth, is recorded in the parish or parishes wherein the lease to be released was recorded.

- \_\_\_\_\_ Metes and bounds with coordinates based on the Louisiana Coordinate System of 1927, North or South Zone (as applies). The description must accurately and clearly define the area being released and retained. All calculations, closures and ties to existing state mineral leases comply with generally accepted surveying standards.
- \_\_\_\_\_ Boundaries clearly delineated on an "8 ½ x 11" copy of the most recent edition of the 7 ½ minute U.S.G.S. Quadrangle Map (scale 1"=2000' or 1"=3000')
- \_\_\_\_\_ Point of Beginning with X-Y coordinates (if applicable)
- \_\_\_\_\_ Acreage figure of the State owned land or water bottoms
- \_\_\_\_\_ X-Y coordinates for all corners of released and retained area
- \_\_\_\_\_ CD with a DXF file (*geographical area*) and a Word .doc file (*description*), indicating area **released**
- \_\_\_\_\_ CD with a DXF file (*geographical area*) and a Word .doc file (*description*), indicating area **retained**

If further information or explanation is desired for releases of state mineral leases, you may call: Veronica Bateman, Land Specialist 3 - (225) 342-3359.

NOTE: All correspondence can be directed to one of the addresses below:

State Mineral and Energy Board  
Post Office Box 2827  
Baton Rouge, LA 70802

State Mineral and Energy Board  
617 N. 3<sup>rd</sup> Street  
8<sup>th</sup> Floor  
Baton Rouge, LA 70802