

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

### TRACT EVALUATION COMMITTEE

On motion of *Mr. Arnold*, duly seconded by *Mr. Noel*, the following Resolution was offered and adopted:

**WHEREAS**, a question of the disposition of tracts receiving bids at the monthly Mineral Board Lease Sales on which the bid was not accepted for insufficient consideration has arisen and was duly considered by the Mineral Board and its staff; and

**WHEREAS**, after due consideration, the State Mineral Board agreed that a Mineral Board Policy should be enacted which would standardize the follow-up procedure for tracts for which a bid is received, but which the bid is rejected for insufficient consideration

**BE IT RESOLVED**, that the Mineral Board does hereby approve and place in effect the following policy regarding tracts bid upon for which the bids are rejected due to insufficient consideration, to-wit:

1. Any tract or portion thereof receiving a bid or bids that is rejected for insufficient consideration will not be opened up to the floor for further bidding.
2. Any tract or portion thereof receiving a bid or bids that is rejected for insufficient consideration will qualify to be re-advertised for lease by the State Mineral Board.
3. In such cases, the tract will be re-advertised for lease in the second Lease Sale immediately following the sale at which the bid was rejected.
4. The State Mineral Board will re-advertise the tract(s) with a minimum acceptable price per acre and/or royalty or a fixed royalty. The minimums will be determined by the staff.
5. The advertisement for lease may include additional information provided by the staff, such as unit, well, or production data. This information will be information which is already in the public domain, and will not include any confidential or proprietary information.

This policy shall remain in full force and effect until changed or modified by further Mineral Board action.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral Board in the City of Baton Rouge, Louisiana, on the 9th day of May, 2007, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral Board