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### State of Louisiana

DEPARTMENT OF ENERGY AND NATURAL RESOURCES
OFFICE OF MINERAL RESOURCES
STATE MINERAL AND ENERGY BOARD

TO: State Mineral and Energy Board Members

FROM: Cristina Vince

**Land Manager** 

Office of Mineral Resources

DATE: April 10, 2024

#### **DOCKET REVIEW REPORT**

#### I. DOCKET REVIEW

- A. All items as set forth on the April 10, 2024 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 **APRIL 10, 2024**

## A. STATE AGENCY LEASES APRIL 10, 2024

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.

No items received for this category.

## B. STATE LEASE TRANSFERS APRIL 10, 2024

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. 22169, 22170, 22171 and 22172, DeSoto, Red River, Natchitoches and Sabine Parishes, Louisiana

An Assignment from Mark A. O'Neal & Associates, Inc. to SWN Production (Louisiana), LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 22169, 22170, 22171 and 22172, DeSoto, Red River, Natchitoches and Sabine Parishes, Louisiana, with further particulars being stipulated in the instrument.

<u>SWN Production (Louisiana), LLC</u> is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

#### 2. ASSIGNMENT

STATE LEASE NO. 20148, Caddo Parish, Louisiana

An Assignment from Chesapeake Louisiana, L.P. and Chesapeake Plains, L.L.C. to BPX Operating Company, of all of Assignor's right, title and interest in and to State Lease No. 20148, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>BPX Operating Company</u> 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 APRIL 10, 2024

#### 3. ASSIGNMENT

STATE LEASE NO. 19835, Red River Parish, Louisiana

An Assignment from Chesapeake Louisiana, L.P. and Chesapeake Plains, L.L.C. to BPX Operating Company, of all of Assignor's right, title and interest in and to State Lease No. 19835, Red River Parish, Louisiana, INSOFAR AND ONLY INSOFAR AS said lease covers Section 21-T13N-R11W with further particulars being stipulated in the instrument.

<u>BPX Operating Company</u> 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 NO. 22183, Caddo Parish, Louisiana

An Assignment from Cypress Energy Partners, LLC to Paloma Natural Gas, LLC, of all of Assignor's right, title and interest in and to State Lease No. 22183, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

<u>Paloma Natural Gas, LLC</u> 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 APRIL 10, 2024

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 all 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 APRIL 10, 2024

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 (24-04)

STATE LEASE NO. 21991, Terrebonne Parish, Louisiana

A Lease Amendment by and between the State of Louisiana, acting through its agency, the Louisiana State Mineral & Energy Board and Hilcorp Energy I, L.P., whereas said parties desire to amend State Lease No. 21991 to extend the primary term for a one (1) year period from November 18, 2023 to November 18, 2024, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

2. OPERATING AGREEMENT AND (24-05)
SECOND AMENDED DECLARATION OF
POOLING AND UNITIZATION AGREEMENT

LASALLE PARISH, LOUISIANA

An Operating Agreement by and between the State Mineral and Energy Board of the State of Louisiana and CTR Oil Inc., to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the state a State Production Interest equal to 20% before payout, increasing to 20.5% after payout, said operating tract containing 4.2 acres more or less, LaSalle Parish, Louisiana, AND Second Amended Declaration of Pooling and Unitization Agreement, dated November 7, 2022, whereas said agreement stated the name of the unit is CTR OIL, INC.-VUA; LaCroix, et al No. 2 Unit and hereby is being amended and correct to be known as the CTR Oil, Inc.-VUA; Perdue, et al No. 2 Unit, with further particulars being stipulated in the instrument.