



Louisiana State Mineral and Energy Board

RESOLUTION NO. 25-09-015
[DOCKET]

WHEREAS, approval of Docket Item No. 25-13 from the September 10, 2025 Meeting, being a Lease Amendment, was presented to the State Mineral and Energy Board; and

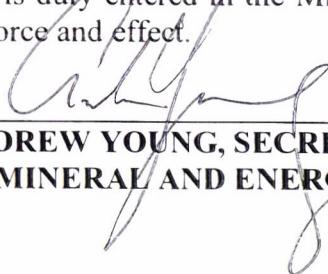
ON MOTION of Mr. Shepherd, seconded by Mr. Bienvenu, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant approval of Docket Item No. 25-13, said instrument being more specifically described as follows:

A Unitization Agreement by and between the State Mineral and Energy Board, acting for and on behalf of the State of Louisiana and Hilcorp Energy Company, to create a 1,090.8249 acre Reservoirwide Unit identified as the "**LM-3 Sand Reservoir A**", affecting **State Lease Nos. 199 and 22213**, Lake Barre Field, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 10th day of September, 2025 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



**ANDREW YOUNG, SECRETARY
STATE MINERAL AND ENERGY BOARD**

UNIT AGREEMENT
LAKE BARRE FIELD
LM-3 SAND, RESERVOIR A
SECONDARY RECOVERY AND INJECTION SAND UNIT
TERREBONNE PARISH, LOUISIANA

THIS AGREEMENT MADE AND ENTERED INTO as of the 10th day of September, 2025, by and between HILCORP ENERGY COMPANY, a Delaware corporation, herein represented by CURTIS D. SMITH, SENIOR VICE PRESIDENT-LAND, as Operator, and the STATE MINERAL AND ENERGY BOARD, acting for and on behalf of the State of Louisiana, herein represented by ANDREW YOUNG, its duly authorized ASSISTANT SECRETARY (hereinafter referred to as the "State"), and the Royalty Owners, Overriding Royalty Owners and Working Interest Owners who execute and ratify this Agreement.

W I T N E S S E T H

WHEREAS, Hilcorp Energy I, L.P. is the owner of a proportion of the following identified oil, gas and mineral leases, to wit:

That certain oil, gas and mineral lease dated March 26, 1928, designated as State of Louisiana Lease No. 199, granted by the State of Louisiana, represented by Governor O. H. Simpson to The Louisiana Land and Exploration Company, recorded in COB 88, Page 48;

That certain oil, gas and mineral lease dated November 12, 1928, executed by The Louisiana Land Exploration Company to and in favor of The Texas Company, an original of which is on file with the Register of the State Land Office in Baton Rouge, Louisiana, and a written notice or excerpt therefrom was recorded in COB 95, Page 527; and

State Lease No. 22213, dated June 12, 2024, executed by the State of Louisiana in favor of Hilcorp Energy I, LP, and recorded July 30, 2024 in COB 2744, Page 521 under Entry No. 1694286 in the Conveyance Records of Terrebonne Parish.

WHEREAS, the parties hereto desire to pool, combine and unitize portions of the property covered by the above-described leases for the operation of one Reservoirwide Unit in the LB LM-3 RA SU, as set forth in Paragraph I (hereafter referred to as "Reservoirwide Unit" or "Unit"), for the purpose of more efficiently and economically developing, producing from and operating upon the hereinafter described Unit, and for the institution of a secondary recovery and pressure maintenance program by the injection of water, and in order to prevent surface and underground waste, and to avoid the drilling of unnecessary wells, to obtain the greatest ultimate recovery of oil and gas, to promote maximum conservation and to insure to each of the parties hereto its fair share of production from the unitized property.

NOW, THEREFORE, in consideration of the premises and the mutual benefits to accrue hereunder, it is agreed between the parties hereto as follows:

I.

Subject to approval by the Office of Conservation, all those portions of the aforesaid leases, and the mineral, royalty and overriding royalty rights thereunder, which lie within the surface boundaries including the non-participating area set forth on the survey plat entitled Hilcorp Energy Company, LB LM-3 RA SU, Lake Barre Field, Terrebonne Parish, Louisiana, which is attached hereto and made a part hereof as Exhibit "A", are hereby pooled, combined and unitized, and may be operated as a Unit, insofar but only insofar, as said oil, gas and mineral leases, mineral, royalty and overriding royalty rights pertain to the exploration, development and production of oil, gas and condensate from said Unitized Zone, being defined as that oil, gas and condensate bearing zone occurring between the depths of 14,570 feet and 14,650 feet in the Hilcorp Energy Company – VU38; LB U38 No. 014 Well (SN 79773), located in the Lake Barre Field, Terrebonne Parish, Louisiana. The Unit created hereby shall be known as the **LB LM-3 RA SU**, and the surface acreage comprising said Unit being hereby determined and apportioned as to the property covered by each of said leases as follows:

The parties hereto agree that the division and apportionment in the surveyed pooled Unit shall be and remain binding, until, within the period of this agreement, either party may have established by definitive judgment of a court of competent jurisdiction, or in any other lawful manner, the exact limits of its claimed ownership, after which time but not retroactively, the division and apportionment of interests within said Unit shall be in proportion to the ownership, as so established, within the entire Unit herein above-described. If, at any time, any question or litigation shall arise as to the ownership of any part of the property covered hereby or as to any boundary or limit of any part of the property covered by any lease or leases herein concerned, neither this agreement or anything herein contained, nor any of the data, maps, exhibits, considered in connection herewith, whether hereto attached or not, nor any course of conduct followed by any party hereto pursuant to this agreement shall ever be construed to be or permitted to serve as a basis of estoppel against any party hereto or prevent any party hereto from establishing its ownership, or having the boundaries or limits of its property determined, in any lawful manner, anything herein contained to the contrary notwithstanding. The non-participating area shall mean that area that may be used to inject substances into the unitized zone, but shall not be included in the Tract Participation on this unit.

II.

Except as may be hereinafter provided, the commencement of actual drilling operations (spudding in), completion or reworking of a well, or production of oil, gas and condensate from a well, on any portion of the Unit created hereby, or payment of shut-in royalties associated with any portion of the leases within the Unit shall have the same effect upon the above-described leases included in such Unit as if such operations were commenced or conducted, or

such well was drilled, completed, reworked or located on, or was producing from that portion of the property covered by each of the said leases which is included within said Unit.

III.

There shall be no obligation on the part of the lessee under said leases to drill any well to the Reservoirwide Unit on one part of said Unit to offset another well or wells drilled on other property within said Unit, and said Unit may be drilled, developed and operated for the production of oil and gas as a single unitized operation in accordance with this agreement and as one lease without reference to the boundary line or lines separating the properties within said Unit.

IV.

Except as provided for in Paragraph VII, in the event of production of oil, gas and condensate from any portion of the aforesaid Unit, it is agreed that such production shall be attributed to the aforesaid leases in the proportion that the number of surface acres covered by such lease and included in said Unit, as set forth in Paragraph I above, bears to the total number of surface acres included within said Unit. As to said Unit, in lieu of the royalties to which the owners thereof would otherwise be entitled to receive by virtue of the aforesaid lease, such owners shall receive and accept, out of production or the proceeds from production from said Unit, such portion of said royalties as the number of surface acres covered by the applicable lease and included in said Unit, as set forth in Paragraph I above, bears to the total number of surface acres included within said Unit. Royalties accruing hereunder shall be paid in the same manner and subject to the same conditions as stipulated in the applicable lease or contract.

V.

Neither the creation of the aforesaid Unit, nor anything herein contained shall be construed as prescribing any standard or measure as to what shall constitute proper development of the property covered by the aforesaid leases.

VI.

Except to the extent herein expressly provided, nothing herein contained shall be construed as altering or otherwise changing in any manner any of the terms or provisions of the aforesaid leases.

VII.

Upon execution of this agreement by 75% in interest of the Royalty Owners and 75% in interest of the Working Interest Owners and Overriding Owners within the Unit Area or the Participation Unit Area, based on the Tract Participation as shown on Exhibit "B", the Unit Operator shall apply to the Commissioner of Conservation of the State of Louisiana for issuance of a formal order, based upon legal notice, after public hearing, establishing such Unit Area as a single unit for the exploration for and production of Unitized Substances, pooling and integrating all interests therein, approving and adopting the Tract Participation, in accordance with the terms and provisions hereof, all in accordance with law and particularly LSA-R.S. 30:5(C) ("Reservoirwide Unit"). It is stipulated that the

Commissioner of Conservation shall not change the Tract Participation and the Commissioner may not alter or revise the lands in such area or the Tract Participation after the issuance of the initial order referred to herein, unless there is new and additional geological and engineering evidence which requires that such changes be made, and then only after public hearing based upon legal notice. If the aforementioned hearing results in an order by the Commissioner of Conservation denying the application of the Unit Operator or if an order approving the application is later denied on appeal, then this Unit Agreement shall not terminate; but shall remain in full force and effect in accordance with its own terms as set forth herein. Except for the termination provision provided herein, this agreement shall continue in full force and effect as long as all leases covering lands committed to this agreement are maintained according to their own terms or until such time as the Commissioner of Conservation issues an order dissolving the unit.

VIII.

This instrument may be signed in any number of counterparts, each of which shall be deemed to be a duplicate original, and all counterparts together shall constitute a single instrument.

IX.

This agreement shall be binding upon the parties hereto, their respective heirs, successors and assigns. This agreement shall be effective as of the date first written above.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the date first written above.

WITNESSES:

Kelly Klaus

Kelly Klaus

Print Name

Kristin Mayhall

Kristin Mayhall

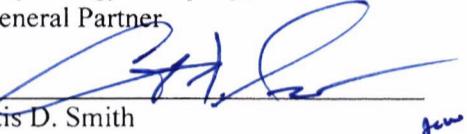
Print Name

WORKING INTEREST OWNER

HILCORP ENERGY I, L.P.

By: Hilcorp Energy Company,
its General Partner

BY:


Curtis D. Smith
Senior Vice President - Land

WITNESSES:

Kelly Klaus

Kelly Klaus

Print Name

Kristin Mayhall

Kristin Mayhall

Print Name

OPERATOR

HILCORP ENERGY COMPANY

BY: 
Curtis D. Smith
Senior Vice President - Land

WITNESSES:

Print Name

Print Name

**ROYALTY OWNER AND OVERRIDING
ROYALTY OWNER**

**THE LOUISIANA LAND AND EXPLORATION
COMPANY, LLC**

BY: _____

Print Name

WITNESSES:

Beverly D. Kahl

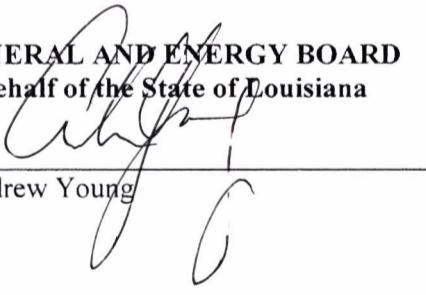
BEVERLY D. KAHL

Print Name

MICHAEL N. ROMIG

Print Name

**STATE MINERAL AND ENERGY BOARD
for and on behalf of the State of Louisiana**

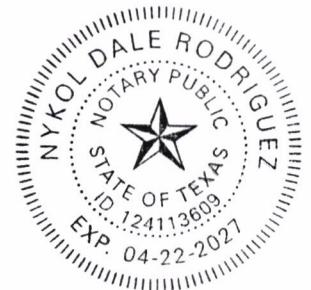
BY: 
Andrew Young

STATE OF TEXAS

COUNTY OF HARRIS

On this _____ day of _____, 2025, before me appeared Curtis D. Smith, to me personally known, who, being by me duly sworn, did say that he is the Senior Vice President-Land for **HILCORP ENERGY COMPANY** and that said instrument was signed on behalf of said company and said Curtis D. Smith acknowledged said instrument to be the free act and deed of said company.

Nykol Dale Rodriguez
NOTARY PUBLIC
Print Name: Nykol Dale Rodriguez
Notary No. 124113609

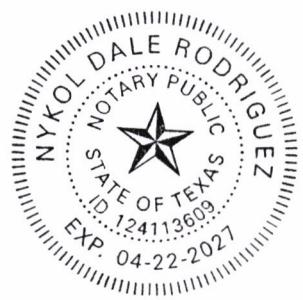


STATE OF TEXAS

COUNTY OF HARRIS

On this _____ day of _____, 2025, before me appeared Curtis D. Smith, to me personally known, who, being by me duly sworn, did say that he is the Senior Vice President-Land of **HILCORP ENERGY COMPANY**, a Texas corporation, the general partner of **HILCORP ENERGY I, L.P.**, and that the foregoing instrument was signed on behalf of Texas limited partnership, and said Curtis D. Smith acknowledged said instrument to be the free act and deed of by Hilcorp Energy I, L. P., by Hilcorp Energy Company, General Partner, on behalf of said limited partnership, and that the statements therein contained are true and correct.

Nykol Dale Rodriguez
NOTARY PUBLIC
Print Name: Nykol Dale Rodriguez
Notary No. 124113609



STATE OF _____

PARISH / COUNTY OF _____

On this _____ day of _____, 2025, before me personally appeared _____ for **THE LOUISIANA LAND AND EXPLORATION COMPANY, LLC**, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he/she executed the same as their free act and deed.

NOTARY PUBLIC
Print Name: _____
Notary No. _____

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

Before me, the undersigned authority, personally came and appeared BEVERLY D. KAHL, who by me first duly sworn, deposed and said, that he/she is one of the witnesses to the execution of the foregoing instrument and that he/she saw Andrew Young sign said instrument as Secretary of the **STATE MINERAL AND ENERGY BOARD**, in the presence of appearer and MICHAEL N. ROMIG the other subscribing witness.


Print Name:

BEVERLY D. KAHL

SWORN TO AND SUBSCRIBED before me on this
The 1 day of October, 2025.



NOTARY PUBLIC



EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT
 UNIT AGREEMENT DATED _____, 2025
 LM-3 SAND, RESERVOIR A, SECONDARY RECOVERY AND INJECTION SAND UNIT
 LAKE BARRE FIELD
 TERREBONNE PARISH, LOUISIANA

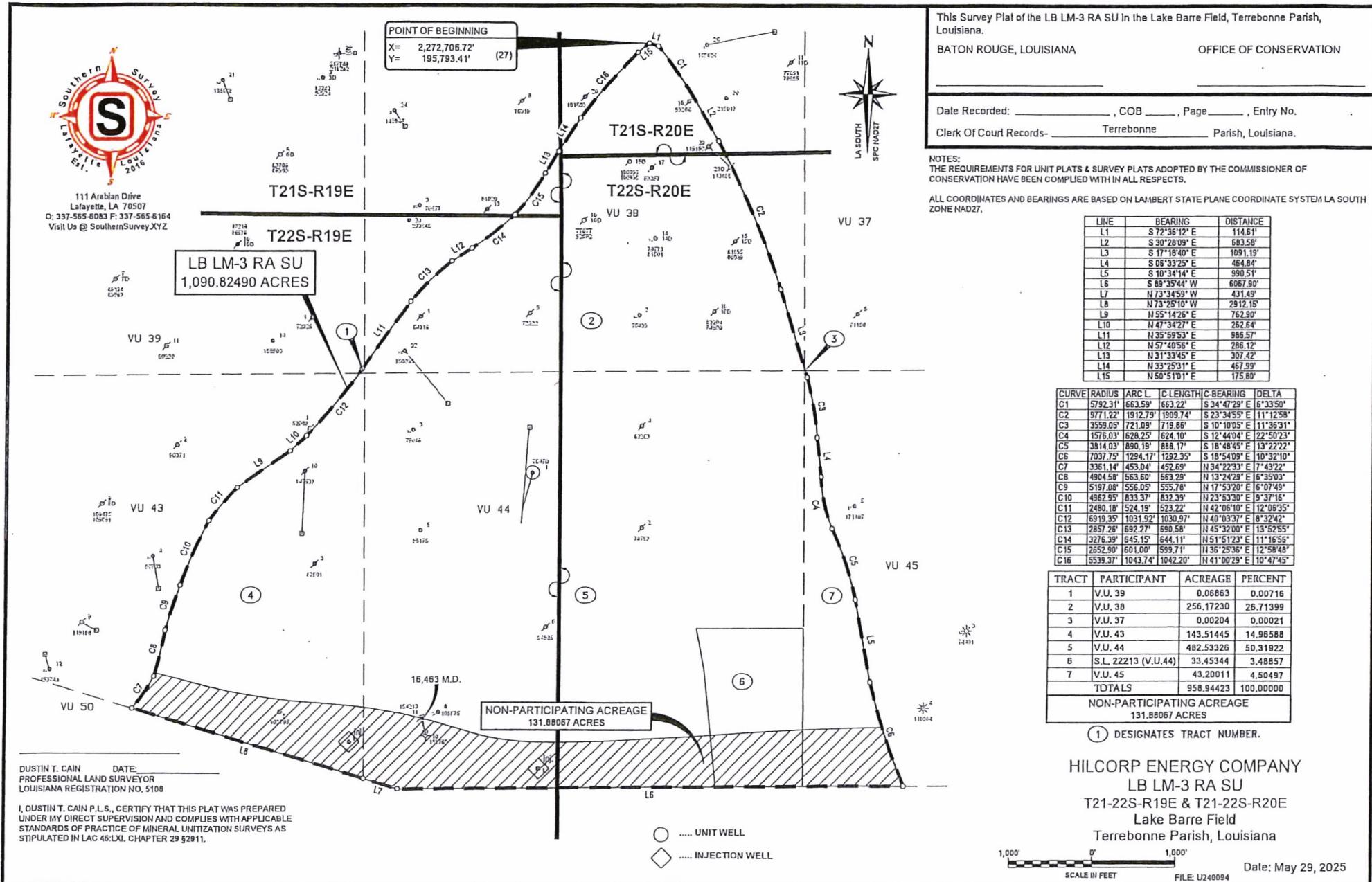


EXHIBIT "B"

ATTACHED TO AND MADE A PART OF THAT
UNIT AGREEMENT DATED _____, 2025
LM-3 SAND, RESERVOIR A, SECONDARY RECOVERY AND INJECTION SAND UNIT
LAKE BARRE FIELD
TERREBONNE PARISH, LOUISIANA

WORKING INTEREST / OVERRIDING ROYALTY INTEREST
AND ROYALTY INTEREST OWNERS

<u>OWNER</u>	<u>TYPE</u>	<u>NET REVENUE</u>
HILCORP ENERGY I, L.P.	WI	0.75000000
<u>OWNER</u>	<u>TYPE</u>	<u>NET REVENUE</u>
THE LOUISIANA LAND AND EXPLORATION COMPANY, LLC	ORRI	0.11356696
	ROY	0.01586683
<u>OWNER</u>	<u>TYPE</u>	<u>NET REVENUE</u>
STATE OF LOUISIANA	ROY	0.12056621
		TOTAL
		1.00000000