

TRACT 39594 - St. Mary Parish, Louisiana

A portion of all lands located above the mean high water mark, together with lands now or formerly constituting the beds and bottoms of any water body of whatever description or nature belonging to the State of Louisiana which is now located within the boundaries of the Atchafalaya Delta Wildlife Management Area and not presently under mineral lease by the State of Louisiana on January 9, 2008, and more particularly located as follows: Beginning at a point having Coordinates of X = 1,996,993.15 and Y = 261,803.06; thence East 12,003.00 feet to a point having Coordinates of X = 2,008,996.15 and Y = 261,803.06; thence South 8,777.23 feet to a point having Coordinates X = 2,008,996.15 and Y = 253,025.83; thence West 12,003.00 feet to a point having Coordinates of X = 1,996,993.15 and Y = 253,025.83; thence North 8,777.23 feet to the point of beginning, containing approximately **2,418.57 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (South Zone).

NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, or statutory, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Should the mineral lease awarded by the Louisiana State Mineral Board be subsequently modified, cancelled or abrogated due to the existence of conflicting leases, operating agreements, private claims or other future obligations or conditions which may affect all or any portion of the leased Tract, it shall not relieve the Lessee of the obligation to pay any bonus due thereon to the Louisiana State Mineral Board, nor shall the Louisiana State Mineral Board be obligated to refund any consideration paid by the Lessor prior to such modification, cancellation, or abrogation, including, but not limited to, bonuses, rentals and royalties.

NOTE: The Office of Mineral Resources will require a minimum bonus of \$350 per acre and a minimum royalty of 25%.

NOTE: The above described tract may be in the vicinity of existing shell reefs where drilling and dredging operations must be conducted in strict conformity with the regulations adopted by the Louisiana Department of Wildlife and Fisheries and/or the U.S. Corps of Engineers, U.S. Army.

NOTE: This tract is located within the Atchafalaya Delta WMA under the jurisdiction of the Louisiana Department of Wildlife and Fisheries which has promulgated rules and regulations for the protection of game and wildlife on the aforesaid Tract and, therefore, shall be subject to said rules and regulations, a copy of which shall be attached to the mineral lease. In addition to the specific rules and regulations applicable, the following shall apply regarding operations under this mineral lease:

1. No activities will be allowed without written authorization of the Louisiana Department of Wildlife and Fisheries.
2. Proposed projects will be evaluated on a case by case basis. Modifications to proposed project features, including but not limited to access routes, spoil placement, well sites, flow lines and appurtenant structures may be required by the Department of Wildlife and Fisheries.
3. Compliance with the Atchafalaya Delta WMA regulations will be required unless otherwise specified by the Department of Wildlife and Fisheries.
4. Compensatory mitigation will be required to offset avoidable wetland impacts.
5. Removal of all structures, facilities and equipment will be required within 120 days of abandonment unless otherwise agreed to in writing by the Louisiana Department of Wildlife and Fisheries.
6. No activities will be allowed during the hunting season unless authorized by the Department.
7. This tract is located within the emerging Atchafalaya Delta. No activities will be allowed on emergent islands or vegetated wetlands. The Louisiana Department of Wildlife and Fisheries (LDWF) shall have discretion to determine access routes. In the event that LDWF approves of dredging for access, LDWF shall have discretion to require hydraulic or spray dredging to reduce environmental impacts.
8. Prior to submitting applications for wetland permits to Federal and State permitting agencies the lease holder shall coordinate project details with the Department of Wildlife and Fisheries. Contact person for the Department will be Mike Windham at (504) 568-5886 or 225-765-2807.

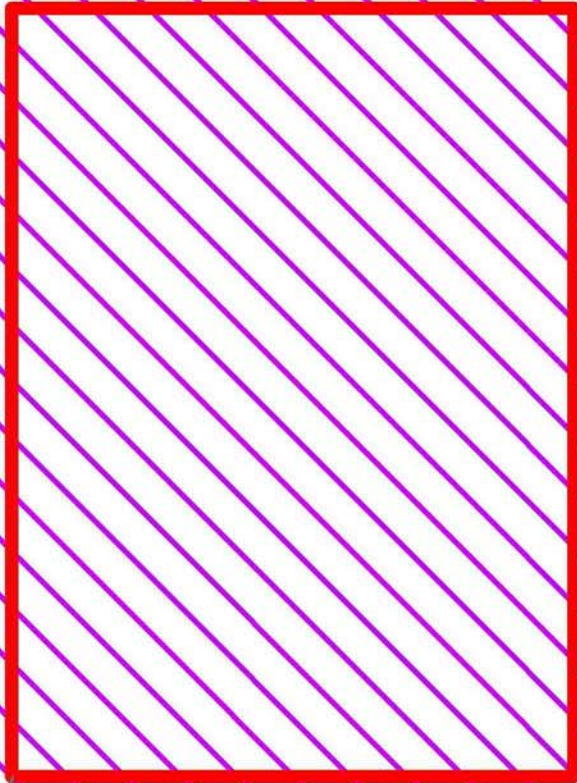
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing and maintaining approved coastal zone management and/or restoration projects. Utilization of any and all rights derived under this lease by the mineral lessee, its agents, successors or assigns, shall not interfere with nor hinder the reasonable surface use by the Department of Natural Resources, its Offices or Commissions, as herein above reserved.

NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from the State of Louisiana may necessarily be conducted in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

Applicant: CYPRESS ENERGY CORPORATION

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

ST MARY PARISH
ATCHAFALAYA BAY
ATCHAFALAYA DELTA WMA



P.O.B.



TRACT 39595 - St. Mary Parish, Louisiana

A portion of all lands located above the mean high water mark, together with lands now or formerly constituting the beds and bottoms of any water body of whatever description or nature belonging to the State of Louisiana which is now located within the boundaries of the Atchafalaya Delta Wildlife Management Area and not presently under mineral lease by the State of Louisiana on January 9, 2008, and more particularly located as follows: Beginning at a point having Coordinates of X = 1,996,993.15 and Y = 253,025.83; thence East 12,003.00 feet to a point having Coordinates of X = 2,008,996.15 and Y = 253,025.83; thence South 9,013.05 feet to a point having Coordinates X = 2,008,996.15 and Y = 244,012.78; thence West 12,003.00 feet to a point having Coordinates of X = 1,996,993.15 and Y = 244,012.78; thence North 9,013.05 feet to the point of beginning, containing approximately **2,483.55 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (South Zone).

NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, or statutory, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Should the mineral lease awarded by the Louisiana State Mineral Board be subsequently modified, cancelled or abrogated due to the existence of conflicting leases, operating agreements, private claims or other future obligations or conditions which may affect all or any portion of the leased Tract, it shall not relieve the Lessee of the obligation to pay any bonus due thereon to the Louisiana State Mineral Board, nor shall the Louisiana State Mineral Board be obligated to refund any consideration paid by the Lessor prior to such modification, cancellation, or abrogation, including, but not limited to, bonuses, rentals and royalties.

NOTE: The Office of Mineral Resources will require a minimum bonus of \$350 per acre and a minimum royalty of 25%.

NOTE: The above described tract may be in the vicinity of existing shell reefs where drilling and dredging operations must be conducted in strict conformity with the regulations adopted by the Louisiana Department of Wildlife and Fisheries and/or the U.S. Corps of Engineers, U.S. Army.

NOTE: This tract is located within the Atchafalaya Delta WMA under the jurisdiction of the Louisiana Department of Wildlife and Fisheries which has promulgated rules and regulations for the protection of game and wildlife on the aforesaid Tract and, therefore, shall be subject to said rules and regulations, a copy of which shall be attached to the mineral lease. In addition to the specific rules and regulations applicable, the following shall apply regarding operations under this mineral lease:

1. No activities will be allowed without written authorization of the Louisiana Department of Wildlife and Fisheries.
2. Proposed projects will be evaluated on a case by case basis. Modifications to proposed project features, including but not limited to access routes, spoil placement, well sites, flow lines and appurtenant structures may be required by the Department of Wildlife and Fisheries.
3. Compliance with the Atchafalaya Delta WMA regulations will be required unless otherwise specified by the Department of Wildlife and Fisheries.
4. Compensatory mitigation will be required to offset avoidable wetland impacts.
5. Removal of all structures, facilities and equipment will be required within 120 days of abandonment unless otherwise agreed to in writing by the Louisiana Department of Wildlife and Fisheries.
6. No activities will be allowed during the hunting season unless authorized by the Department.
7. This tract is located within the emerging Atchafalaya Delta. No activities will be allowed on emergent islands or vegetated wetlands. The Louisiana Department of Wildlife and Fisheries (LDWF) shall have discretion to determine access routes. In the event that LDWF approves of dredging for access, LDWF shall have discretion to require hydraulic or spray dredging to reduce environmental impacts.
8. Prior to submitting applications for wetland permits to Federal and State permitting agencies the lease holder shall coordinate project details with the Department of Wildlife and Fisheries. Contact person for the Department will be Mike Windham at (504) 568-5886 or 225-765-2807.

NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing and maintaining approved coastal zone management and/or restoration projects. Utilization of any and all rights derived under this lease by the mineral lessee, its agents, successors or assigns, shall not interfere with nor hinder the reasonable surface use by the Department of Natural Resources, its Offices or Commissions, as herein above reserved.

NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from the State of Louisiana may necessarily be conducted in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

Applicant: CYPRESS ENERGY CORPORATION

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

ST MARY PARISH
ATCHAFALAYA BAY
ATCHAFALAYA DELTA WMA



P.O.B.

GENE ISLAND AREA, REVISED

TRACT 39596 - St. Mary and Terrebonne Parishes, Louisiana

A portion of all lands located above the mean high water mark, together with lands now or formerly constituting the beds and bottoms of any water body of whatever description or nature belonging to the State of Louisiana which is now located within the boundaries of the Atchafalaya Delta Wildlife Management Area and not presently under mineral lease by the State of Louisiana on January 9, 2008, and more particularly located as follows: Beginning at a point having Coordinates of X = 2,008,996.15 and Y = 253,025.83; thence East approximately 15,128 feet to a point on the boundary of Atchafalaya Delta Wildlife Management Area having a Coordinate of Y = 253,025.83; thence Southwesterly along the meanders of said boundary to a point of intersection with a line having a Coordinate of Y = 244,012.78; thence West approximately 9,645 feet to a point having Coordinates of X = 2,008,996.15 and Y = 244,012.78; thence North 9,013.05 feet to the point of beginning, **LESS AND EXCEPT** that portion, if any, lying outside the Atchafalaya Delta Wildlife Management Area, that may lie within the above described tract, containing approximately **2,252 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (South Zone).

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NOTE: The Office of Mineral Resources will require a minimum bonus of \$350 per acre and a minimum royalty of 25%.

NOTE: This tract is located within the Atchafalaya Delta WMA under the jurisdiction of the Louisiana Department of Wildlife and Fisheries which has promulgated rules and regulations for the protection of game and wildlife on the aforesaid Tract and, therefore, shall be subject to said rules and regulations, a copy of which shall be attached to the mineral lease. In addition to the specific rules and regulations applicable, the following shall apply regarding operations under this mineral lease:

1. No activities will be allowed without written authorization of the Louisiana Department of Wildlife and Fisheries.
2. Proposed projects will be evaluated on a case by case basis. Modifications to proposed project features, including but not limited to access routes, spoil placement, well sites, flow lines and appurtenant structures may be required by the Department of Wildlife and Fisheries.
3. Compliance with the Atchafalaya Delta WMA regulations will be required unless otherwise specified by the Department of Wildlife and Fisheries.
4. Compensatory mitigation will be required to offset avoidable wetland impacts.
5. Removal of all structures, facilities and equipment will be required within 120 days of abandonment unless otherwise agreed to in writing by the Louisiana Department of Wildlife and Fisheries.
6. No activities will be allowed during the hunting season unless authorized by the Department.
7. This tract is located within the emerging Atchafalaya Delta. No activities will be allowed on emergent islands or vegetated wetlands. The Louisiana Department of Wildlife and Fisheries (LDWF) shall have discretion to determine access routes. In the event that LDWF approves of dredging for access, LDWF shall have discretion to require hydraulic or spray dredging to reduce environmental impacts.
8. Prior to submitting applications for wetland permits to Federal and State permitting agencies the lease holder shall coordinate project details with the Department of Wildlife and Fisheries. Contact person for the Department will be Mike Windham at (504) 568-5886 or 225-765-2807.

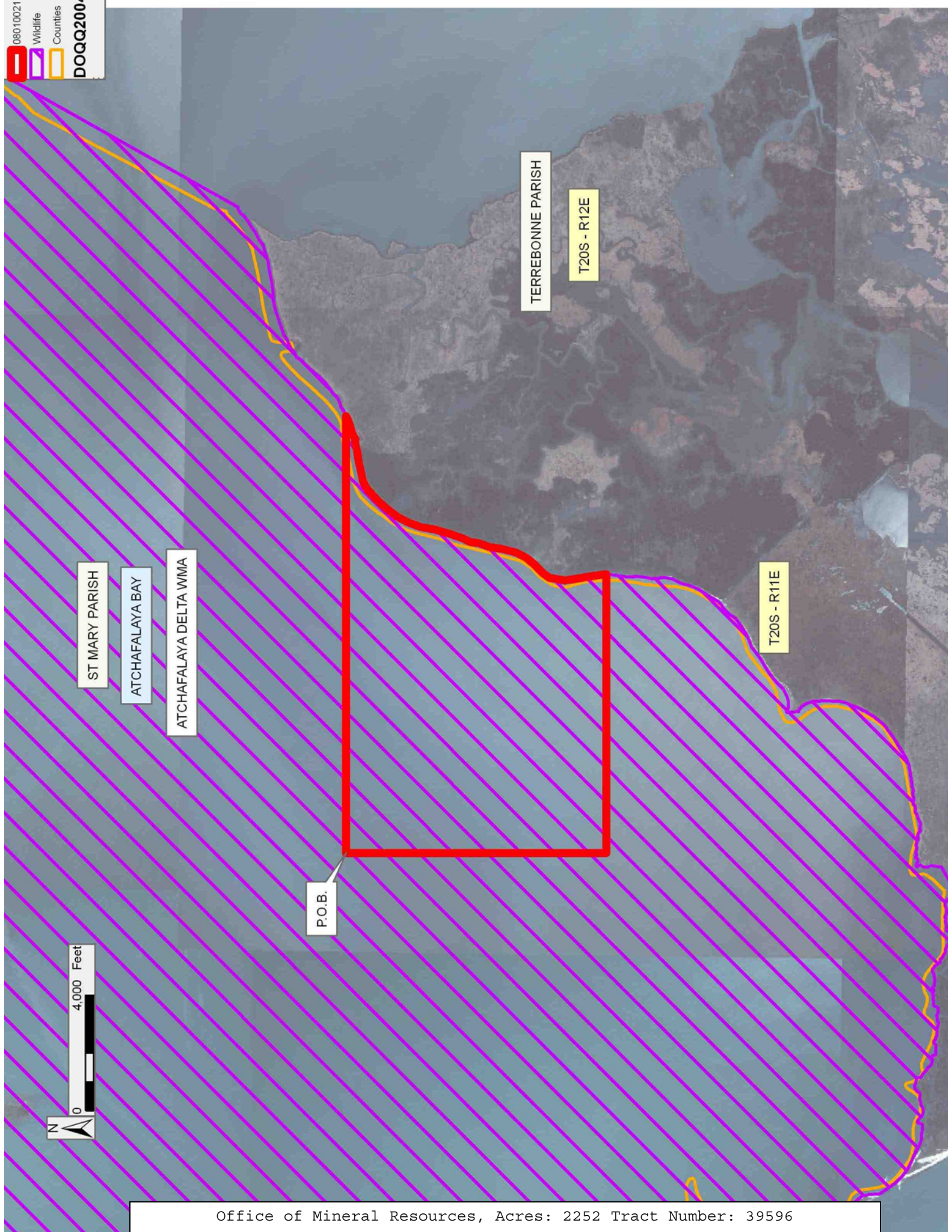
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing and maintaining approved coastal zone management and/or restoration projects. Utilization of any and all rights derived under this lease by the mineral lessee, its agents, successors or assigns, shall not interfere with nor hinder the reasonable surface use by the Department of Natural Resources, its Offices or Commissions, as herein above reserved.

NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from the State of Louisiana may necessarily be conducted in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

Applicant: CYPRESS ENERGY CORPORATION

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

08010021
Wildlife
Counties
DOQQ200



ST MARY PARISH

ATCHAFALAYA BAY

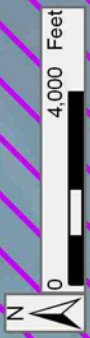
ATCHAFALAYA DELTA WMA

P.O.B.

TERREBONNE PARISH

T20S - R12E

T20S - R11E



TRACT 39597 - St. Mary Parish, Louisiana

A portion of all lands located above the mean high water mark, together with lands now or formerly constituting the beds and bottoms of any water body of whatever description or nature belonging to the State of Louisiana which is now located within the boundaries of the Atchafalaya Delta Wildlife Management Area and not presently under mineral lease by the State of Louisiana on January 9, 2008, and more particularly located as follows: Beginning at a point having Coordinates of X = 1,984,983.82 and Y = 253,025.83; thence East 12,009.33 feet to a point having Coordinates of X = 1,996,993.15 and Y = 253,025.83; thence South 9,013.05 feet to a point having Coordinates of X = 1,996,993.15 and Y = 244,012.78; thence West 9,198.19 feet to a point of intersection with the Louisiana Coastline, as decreed by the Supreme Court of the United States, as determined by a Special Master appointed therein, in litigation styled *United States v. State of Louisiana et al No. 9 Original*, in 1975, having Coordinates of X = 1,987,794.96 and Y = 244,012.78; thence Northwesterly on a straight line to a point having Coordinates of X = 1,984,983.82 and Y = 245,053.66; thence North 7,972.17 feet to the point of beginning, containing approximately **2,451.28 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (South Zone).

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NOTE: The Office of Mineral Resources will require a minimum bonus of \$350 per acre and a minimum royalty of 25%.

NOTE: The above described tract may be in the vicinity of existing shell reefs where drilling and dredging operations must be conducted in strict conformity with the regulations adopted by the Louisiana Department of Wildlife and Fisheries and/or the U.S. Corps of Engineers, U.S. Army.

NOTE: This tract is located within the Atchafalaya Delta WMA under the jurisdiction of the Louisiana Department of Wildlife and Fisheries which

has promulgated rules and regulations for the protection of game and wildlife on the aforesaid Tract and, therefore, shall be subject to said rules and regulations, a copy of which shall be attached to the mineral lease. In addition to the specific rules and regulations applicable, the following shall apply regarding operations under this mineral lease:

1. No activities will be allowed without written authorization of the Louisiana Department of Wildlife and Fisheries.

2. Proposed projects will be evaluated on a case by case basis. Modifications to proposed project features, including but not limited to access routes, spoil placement, well sites, flow lines and appurtenant structures may be required by the Department of Wildlife and Fisheries.

3. Compliance with the Atchafalaya Delta WMA regulations will be required unless otherwise specified by the Department of Wildlife and Fisheries.

4. Compensatory mitigation will be required to offset avoidable wetland impacts.

5. Removal of all structures, facilities and equipment will be required within 120 days of abandonment unless otherwise agreed to in writing by the Louisiana Department of Wildlife and Fisheries.

6. No activities will be allowed during the hunting season unless authorized by the Department.

7. This tract is located within the emerging Atchafalaya Delta. No activities will be allowed on emergent islands or vegetated wetlands. The Louisiana Department of Wildlife and Fisheries (LDWF) shall have discretion to determine access routes. In the event that LDWF approves of dredging for access, LDWF shall have discretion to require hydraulic or spray dredging to reduce environmental impacts.

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NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from the State of Louisiana may necessarily be conducted in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

Applicant: CYPRESS ENERGY CORPORATION

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

