

**TRACT 41831 - 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 12, 2011, and more particularly located as follows: Beginning at the Southeast corner of State Lease No. 340, as amended, said point lying within Block 406, Eugene Island Area, Revised having Coordinates of X = 1,937,241.51 and Y = 263,141.97; thence Southerly approximately 1,633 feet to a point on the Southern boundary of the Atchafalaya Delta Wildlife Management Area having a Coordinate of X = 1,937,341.00; thence Northwesterly approximately 4,977.90 feet along the said Southern boundary to a point on the South boundary of said State Lease No. 340; thence South 89 degrees 52 minutes 00 seconds East approximately 4,600.16 feet along the South boundary of said State Lease No. 340 to the point of beginning, containing approximately **86.07 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 and Energy 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 and Energy 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 and Energy Board, nor shall the Louisiana State Mineral and Energy 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 mineral lease is located in 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 leases. In addition to the specific rules and regulations applicable, the following shall apply regarding operations under this mineral lease:

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

- 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, flowlines and appurtenant structures may be required by the Department of Wildlife and Fisheries.
- Compliance with the Atchafalaya Delta WMA regulations will be required unless otherwise specified by the Department of Wildlife and Fisheries.
- Compensatory mitigation will be required to offset unavoidable wetland impacts.
- 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.
- No activities will be allowed during the hunting season unless approved by the Department.
- 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.
- Prior to submitting application for wetland permits to Federal and State permitting agencies the leaseholder shall coordinate project details with the Department of Wildlife and Fisheries. Contact person for the Department will be Mike Windham at (504)284-5268.

Additionally, the Department will require a minimum bonus of \$350.00 per acre and a minimum royalty of 25%.

NOTE: The acreage contained herein, being a portion of State Lease 335, 340 or 341, was subject to the litigation between Texaco, Inc. and the State of Louisiana which resulted in the Global Settlement Agreement compromise whereby this acreage was reassigned through various mesne conveyances to the successors of William T. Burton, the original lessee of said leases from the State, (hereinafter otherwise referred to as the "ORRO's) and approved by the State Mineral and Energy Board, becoming effective April 25, 1994. Under separate agreement by and between the State and the ORRO's, certain obligations were to be met within a specified time frame or the ORRO's became obligated to release the reassigned acreage back to the State. The obligations were not met within the specified time frame and the State began securing the releases for the acreage contained herein. Due to the extremely large number of ORRO's, their nationwide and worldwide dispersal, the unreliability of available contact information and/or a present inability to obtain full, requisite cooperation, the State has, as yet, not secured releases from certain ORRO's representing approximately a .0258336 interest in this acreage. Accordingly, although the State is

diligently pursuing the requisite releases affecting this acreage (the furnishing of which the ORRO's representing the stated decimal interest are obligated), nevertheless, a party obtaining a mineral lease from the State of Louisiana on the acreage contained herein shall do so with full knowledge that a complete release of all specific ORRO interest in this acreage has not as yet been secured and shall assume a business risk commensurate with the unsecured interest release.

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: 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: This tract is located in an area designated by the Louisiana Legislature or the Wildlife and Fisheries Commission as a Public Oyster Seed Ground, Reservation, or area of Calcasieu or Sabine Lake. Proposed projects occurring in these areas will be evaluated on a case by case basis by Louisiana Department of Wildlife & Fisheries. Modifications to proposed project features including, but not limited to, access routes, well sites, flowlines, and appurtenant structures maybe required by the Louisiana Department of Wildlife and Fisheries. In addition, compensatory mitigation will be required to offset unavoidable habitat impacts.

Applicant: THEOPHILUS OIL, GAS & LAND SERVICES, LLC

Bidder	Cash Payment	Price/ Acre	Rental	Oil	Gas	Other

**Legend**

- 11010053
- Wildlife
- Blocks
- Active Leases

