

TRACT 36050 - Portion of Block 56, West Delta Area, Plaquemines Parish, Louisiana

The beds and bottoms of all water bodies belonging to the State of Louisiana located in that portion of Block 56, West Delta Area, together with any present lands formed by accretion to the shoreline, located in Plaquemines Parish, Louisiana, and not presently under mineral lease on February 11, 2004, the geographical area of which is more fully described as follows: Beginning at a point on the East boundary of Block 56, West Delta Area, having Coordinates of X = 2,605,477.93 and Y = 134,255.25; thence West 8,255.09 feet to a point on the Three Mile Decree line having Coordinates of X = 2,597,222.84 and Y = 134,255.25; thence Northwesterly on a straight line along the said Three Mile Decree line to a point on the North boundary of said Block 56 having Coordinates of X = 2,597,216.66 and Y = 144,676.30; thence East 8,261.27 feet along the North boundary of said Block 56 to its Northeast corner having Coordinates of X = 2,605,477.93 and Y = 144,676.30; thence South 10,421.05 feet along the East boundary of said Block 56 to the point of beginning, containing approximately **1,975.64 acres, LESS AND EXCEPT** that portion thereof, if any, lying seaward of the line three nautical miles from the coast line of Louisiana, as said three mile line has been 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, all as more particularly outlined on a plat in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on the Louisiana Coordinate System of 1927, (South Zone).

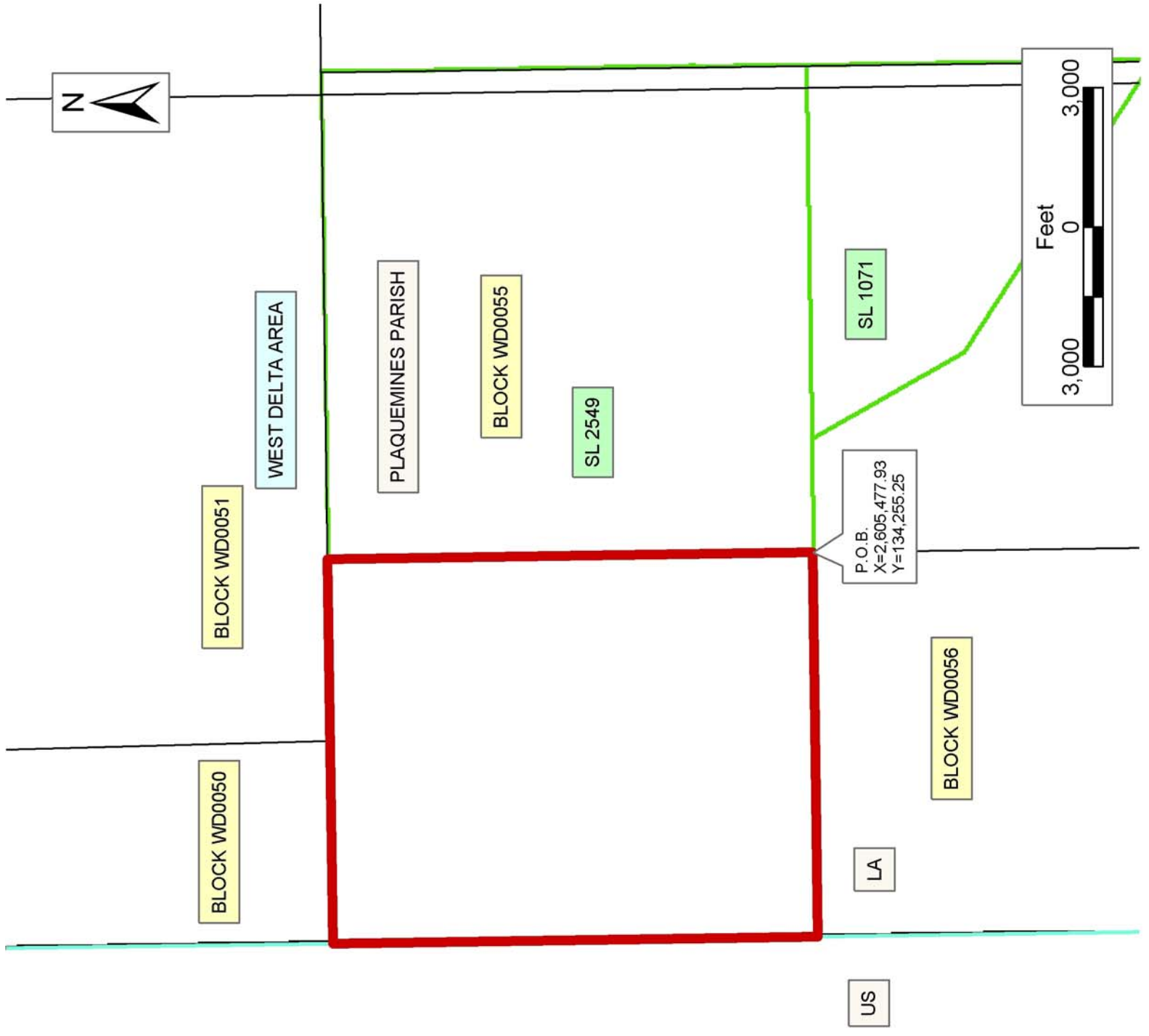
NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, 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 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.

Applicant: Gray Production Company

| Bidder | Cash Payment | Price/Acre | Rental | Oil | Gas | Other |
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TRACT 36051 - Portion of Block 56, West Delta Area, Plaquemines Parish, Louisiana

The beds and bottoms of all water bodies belonging to the State of Louisiana located in that portion of Block 56, West Delta Area, together with any present lands formed by accretion to the shoreline, located in Plaquemines Parish, Louisiana, and not presently under mineral lease on February 11, 2004, the geographical area of which is more fully described as follows: Beginning at a point on the East boundary of Block 56, West Delta Area, having Coordinates of X = 2,605,477.93 and Y = 134,255.25; thence South 10,421.05 feet along the said East boundary of said Block 56 to its Southeast corner having Coordinates of X = 2,605,477.93 and Y = 123,834.20; thence West 8,248.91 feet along the South boundary of said Block 56 to a point on the Three Mile Decree line having Coordinates of X = 2,597,229.02 and Y = 123,834.20; thence Northwesterly on a straight line along the said Three Mile Decree line to a point having Coordinates of X = 2,597,222.84 and Y = 134,255.25; thence East 8,255.09 feet to the point of beginning, containing approximately **1,974.16 acres, LESS AND EXCEPT** that portion thereof, if any, lying seaward of the line three nautical miles from the coast line of Louisiana, as said three mile line has been 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, all as more particularly outlined on a plat in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on the Louisiana Coordinate System of 1927, (South Zone).

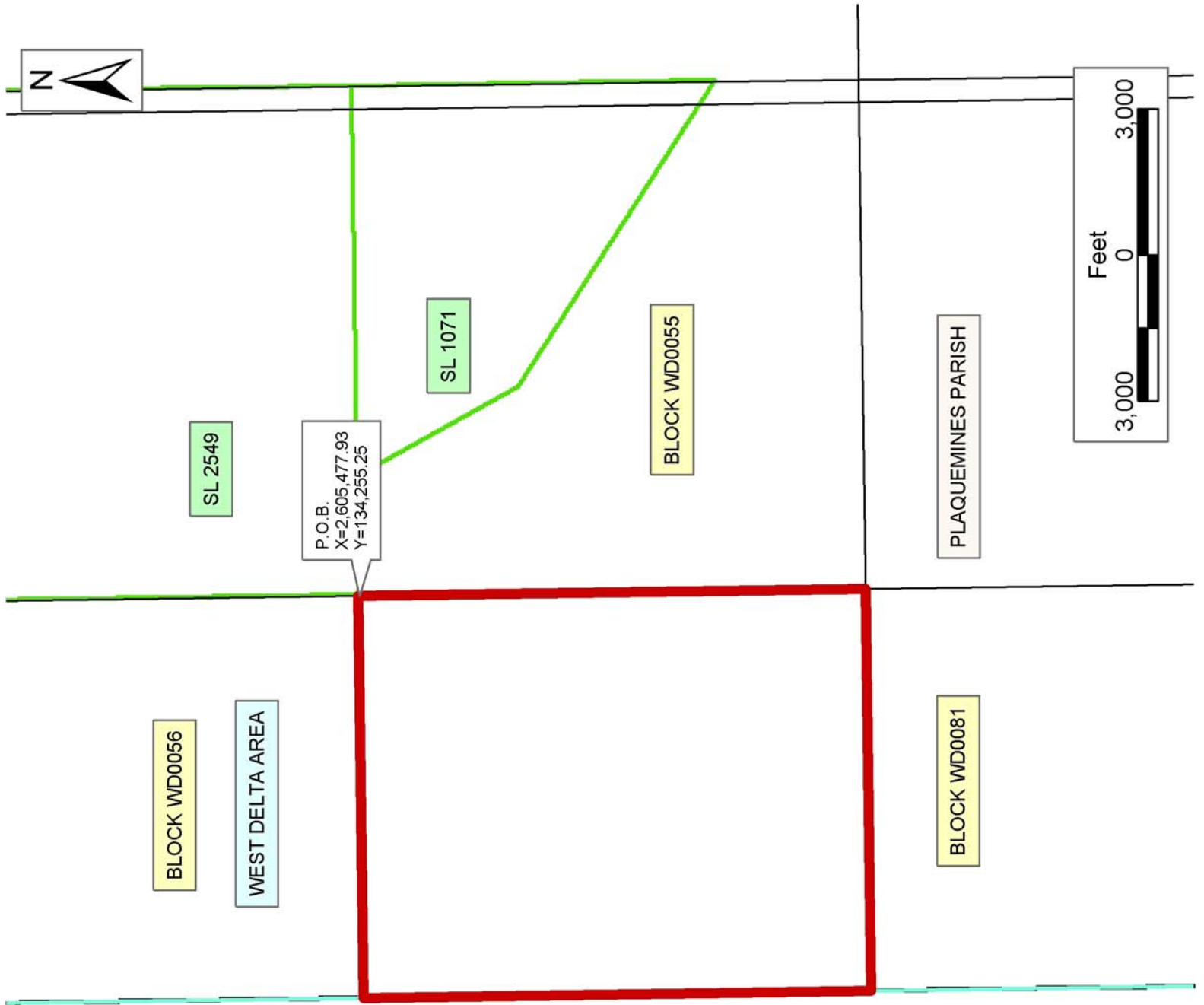
NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, 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 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.

Applicant: Gray Production Company

| Bidder | Cash Payment | Price/Acre | Rental | Oil | Gas | Other |
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P.O.B.
X=2,605,477.93
Y=134,255.25

SL 2549

SL 1071

BLOCK WD0055

PLAQUEMINES PARISH

BLOCK WD0056

WEST DELTA AREA

BLOCK WD0081



TRACT 36052 - Portion of Block 55, West Delta Area, Plaquemines Parish, Louisiana

The beds and bottoms of all water bodies belonging to the State of Louisiana located in that portion of Block 55, West Delta Area, together with any present lands formed by accretion to the shoreline, located in Plaquemines Parish, Louisiana, and not presently under mineral lease on February 11, 2004, the geographical area of which is more fully described as follows: Beginning at a point on the West boundary of Block 55, West Delta Area, also being the Southwest corner of State Lease No. 2549 having Coordinates of X = 2,605,477.93 and Y = 134,255.25; thence East 2,425.00 feet along the South boundary of said State Lease No. 2549 to the Northwest corner of State Lease No. 1071, as amended, having Coordinates of X = 2,607,902.93 and Y = 134,255.25; thence along the Western boundary of said State Lease No. 1071, as amended, the following courses: South 28 degrees 22 minutes 59 seconds East 3,760.62 feet to a corner having Coordinates of X = 2,609,690.60 and Y = 130,946.70; South 56 degrees 21 minutes 11 seconds East 6,939.47 feet to a point having Coordinates of X = 2,615,467.48 and Y = 127,101.72; thence Southeasterly on a straight line to a point on the South boundary of said Block 55 having Coordinates of X = 2,615,469.34 and Y = 123,834.20; thence West 9,991.41 feet along the South boundary of said Block 55 to its Southwest corner having Coordinates of X = 2,605,477.93 and Y = 123,834.20; thence North 10,421.05 feet along the West boundary of said Block 55 to the point of beginning, containing approximately **1,628.29 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, (North or South Zone).

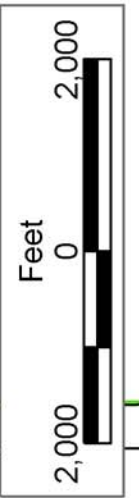
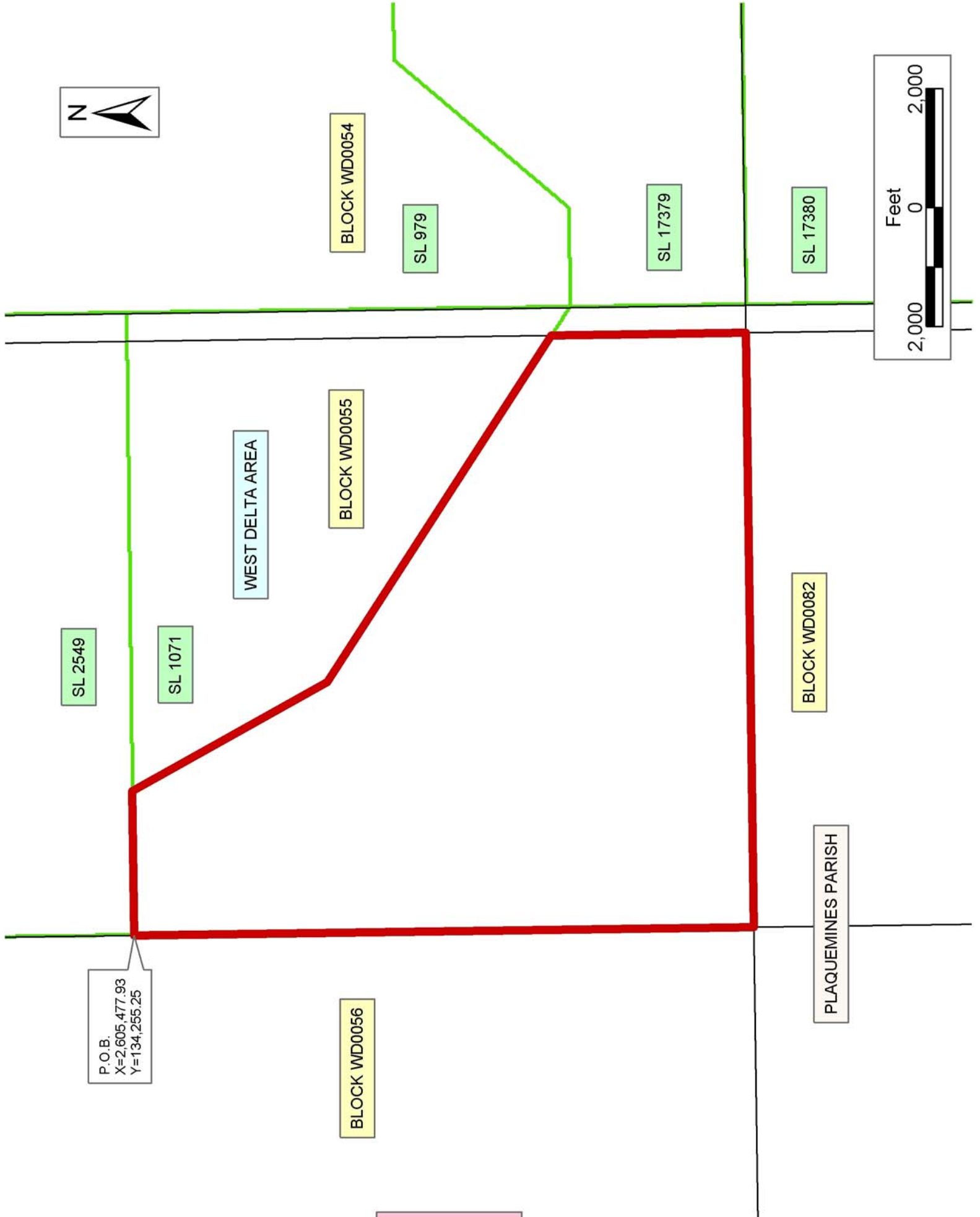
NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, 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 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.

Applicant: Gray Production Company

| Bidder | Cash Payment | Price/Acre | Rental | Oil | Gas | Other |
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TRACT 36053 - Portion of Block 42, South Pass Area, Plaquemines Parish, Louisiana

The beds and bottoms of all water bodies belonging to the State of Louisiana located in that portion of Block 42, South Pass Area, together with any present lands formed by accretion to the shoreline, located in Plaquemines Parish, Louisiana, and not presently under mineral lease on February 11, 2004, the geographical area of which is more fully described as follows: Beginning at the Southwest corner of Block 42, South Pass Area, having Coordinates of X = 2,615,928.00 and Y = 82,150.00, thence North 7,200.00 feet on and along the West line of said Block 42, to a point on the Southern boundary of State Lease No. 12967, as amended, having Coordinates of X = 2,615,928.00 and Y = 89,350.00, thence East 599.14 feet on and along said Southern boundary of said State Lease No. 12967 to the Southeast corner of said State Lease No. 12967, having Coordinates of X = 2,616,527.14 and Y = 89,350.00; thence North 38 degrees 51 minutes 34 seconds East 3,826.60 feet to a point on the Western boundary of State Lease No. 16991, having Coordinates of X = 2,618,928.00 and Y = 92,329.72, thence on and along the Western and Southern boundaries of said State Lease No. 16991 the following courses: South 29 degrees 55 minutes 24 seconds East 3,231.50 feet to a point having Coordinates of X = 2,620,540.00 and Y = 89,529.00; and East 1,498.15 feet to a point having Coordinates of X = 2,622,038.15 and Y = 89,529.00, said point also being the Northwest corner of State Lease No. 17197; thence on and along the Western, Southern, and Eastern boundaries of said State Lease No. 17197 the following courses: South 2,301.38 feet to a point having Coordinates of X = 2,622,038.15 and Y = 87,227.62; East 3,497.85 feet to a point having Coordinates of X = 2,625,536.00 and Y = 87,227.62; and North 1.38 feet to a point having Coordinates of X = 2,625,536.00 and Y = 87,229.00, said point also being the Southwest corner of State Lease No. 16869; thence East 73.64 feet on and along the Southern boundary of said State Lease No. 16869 to a point having Coordinates of X = 2,625,609.64 and Y = 87,229.00, said point also being the Northwest corner of State Lease No. 17196; thence on and along the Western and Southern boundaries of said State Lease No. 17196 the following courses: South 1,779.23 feet to a point having Coordinates of X = 2,625,609.64 and Y = 85,449.77; and East 2,671.17 feet to a point having Coordinates of X = 2,628,280.81 and Y = 85,449.77; thence South 38 degrees 56 minutes 39 seconds West 3,585.65 feet to a point having Coordinates of X = 2,626,027.00 and Y = 82,661.00; thence South 38 degrees 58 minutes 37 seconds West 657.32 feet to a point having Coordinates of X = 2,625,613.54 and Y = 82,150.00, said point also being on the South line of said Block 42, thence West 9,685.54 feet on and along said South line of said Block 42, to the point of beginning, containing approximately **1,674.31 acres, LESS AND EXCEPT** that portion thereof, if any, lying seaward of the line three nautical miles from the coast line of Louisiana, as said three mile line has been 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, all as more particularly outlined on a plat in the Office of Mineral Resources, Department of Natural

Resources. All bearings, distances and coordinates are based on the 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 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: It appears, according to our records, that a portion of this Tract is located within the restrictive safety fairway area as set out by the Corps of Engineers, U.S. Army and/or the restrictive anchorage area as set out by the U.S. Coast Guard.

Applicant: Avenir Exploration, Inc.

| Bidder | Cash Payment | Price/Acre | Rental | Oil | Gas | Other |
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PLAQUEMINES PARISH

SOUTH PASS AREA

SL 16991

SL 16869

SL 17196

SL 17197

BLOCK SP0042

US

LA

BLOCK SP0057

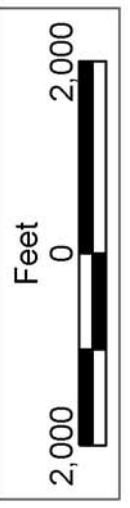
SL 12967

SL 12966

BLOCK SP0041

P.O.B.
X=-2,615,928.00
Y=82,150.00

BLOCK SP0058



TRACT 36054 - Portion of Block 58, South Pass Area, Plaquemines Parish, Louisiana

The beds and bottoms of all water bodies belonging to the State of Louisiana located in that portion of Block 58, South Pass Area, together with any present lands formed by accretion to the shoreline, located in Plaquemines Parish, Louisiana, and not presently under mineral lease on February 11, 2004, the geographical area of which is more fully described as follows: Beginning at a point having Coordinates of X = 2,615,928.00 and Y = 82,150.00, said point also being the Northeast corner of Block 58, South Pass Area; thence South 2,526.08 feet on and along the East line of said Block 58 to a point having Coordinates of X = 2,615,928.00 and Y = 79,623.92, said point also being the Northeast corner of State Lease No. 16500, as amended; thence on and along the Northern, Western, and Southern boundaries of said State Lease No. 16500 the following courses: West 4,324.00 feet to a point having Coordinates of X = 2,611,604.00 and Y = 79,623.92; South 4,030.24 feet to a point having Coordinates of X = 2,611,604.00 and Y = 75,593.68; and South 85 degrees 36 minutes 09 seconds East 4,336.77 feet to a point having Coordinates of X = 2,615,928.00 and Y = 75,261.15, said point also being on said East line of said Block 58; thence South 762.65 feet on and along said East line of said Block 58 to a point having Coordinates of X = 2,615,928.00 and Y = 74,498.50; thence 10,640.22 feet on a non tangent curve to the right having a radius of 18,240.60 feet to a point having Coordinates of X = 2,605,477.93 and Y = 73,584.03, said point also being on the West line of said Block 58; thence North 8,565.97 feet on and along said West line of said Block 58 to the Northwest corner of said Block 58, having Coordinates of X = 2,605,477.93 and Y = 82,150.00, thence East 10,450.07 feet on and along the North line of said Block 58 to the point of beginning, containing approximately **1,652.93 acres, LESS AND EXCEPT** that portion thereof, if any, lying seaward of the line three nautical miles from the coast line of Louisiana, as said three mile line has been 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, all as more particularly outlined on a plat in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on the Louisiana Coordinate System of 1927, (South Zone).

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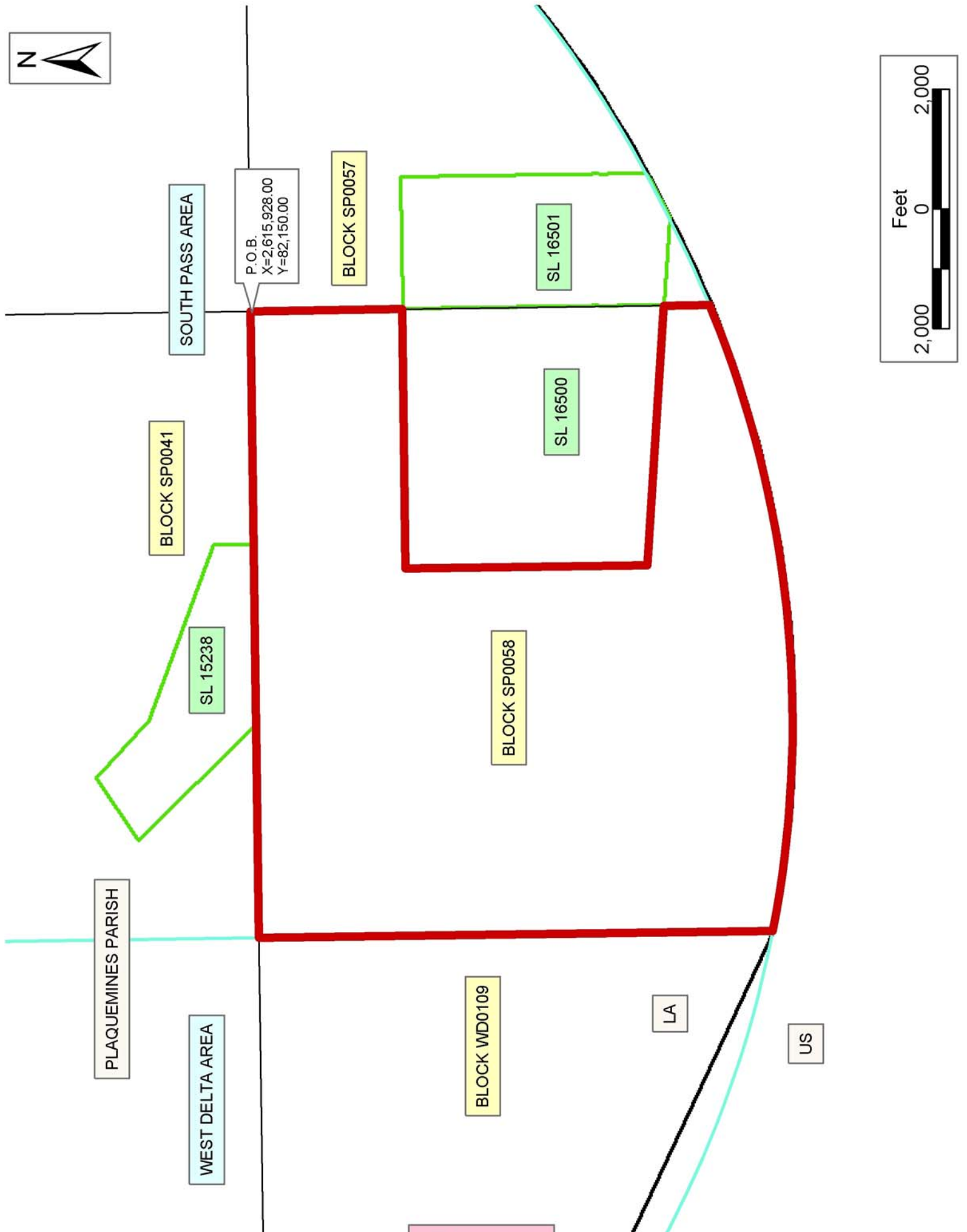
pay any bonus due thereon to the Louisiana State Mineral Board, nor shall the Louisiana State Mineral Board be obligated to refund any consideration paid by the Lessor prior to such modification, cancellation, or abrogation, including, but not limited to, bonuses, rentals and royalties.

NOTE: The 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: It appears, according to our records, that a portion of this Tract is located within the restrictive safety fairway area as set out by the Corps of Engineers, U.S. Army and/or the restrictive anchorage area as set out by the U.S. Coast Guard.

Applicant: Avenir Exploration, Inc.

| Bidder | Cash Payment | Price/Acre | Rental | Oil | Gas | Other |
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PLAQUEMINES PARISH

SOUTH PASS AREA

WEST DELTA AREA

BLOCK SP0041

BLOCK SP0057

BLOCK SP0058

BLOCK WD0109

SL 15238

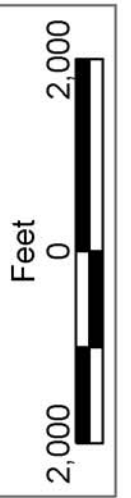
SL 16500

SL 16501

LA

US

P.O.B.
X=2,615,928.00
Y=82,150.00



TRACT 36055 - Portion of Block 57, South Pass Area, Plaquemines Parish, Louisiana

The beds and bottoms of all water bodies belonging to the State of Louisiana located in that portion of Block 57, South Pass Area, together with any present lands formed by accretion to the shoreline, located in Plaquemines Parish, Louisiana, and not presently under mineral lease on February 11, 2004, the geographical area of which is more fully described as follows: Beginning at the Northwest corner of Block 57, South Pass Area, having Coordinates of X = 2,615,928.00 and Y = 82,150.00; thence East 9,685.54 feet on and along the North line of said Block 57, to a point having Coordinates of X = 2,625,613.54 and Y = 82,150.00; thence South 38 degrees 58 minutes 36 seconds West 2,024.69 feet to a point having Coordinates of X = 2,624,340.00 and Y = 80,576.00; thence 3,935.62 feet on a non tangent curve to the right having a radius of 18,240.60 feet to a point having Coordinates of X = 2,621,555.00 and Y = 77,806.00; thence South 51 degrees 20 minutes 25 seconds West 480.23 feet to a point having Coordinates of X = 2,621,180.00 and Y = 77,506.00; thence 3,646.82 feet on a non tangent curve to the right having a radius of 18,240.60 feet to a point having Coordinates of X = 2,618,124.00 and Y = 75,527.14, said point also being an Eastern boundary of State Lease No. 16501, as amended; thence on and along the Eastern and Northern boundaries of said State Lease No. 16501 the following courses and distances, to wit: North 4,096.78 feet to a point having Coordinates of X = 2,618,124.00 and Y = 79,623.92; and West 2,196.00 feet to a point having Coordinates of X = 2,615,928.00 and Y = 79,623.92, said point also being on the West line of said Block 57; thence North 2,526.08 feet on and along said West line of said Block 57, to the point of beginning, containing approximately **784.90 acres, LESS AND EXCEPT** that portion thereof, if any, lying seaward of the line three nautical miles from the coast line of Louisiana, as said three mile line has been 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, all as more particularly outlined on a plat in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on the Louisiana Coordinate System of 1927, (South Zone).

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Applicant: Avenir Exploration, Inc.

| Bidder | Cash Payment | Price/Acre | Rental | Oil | Gas | Other |
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