

TRACT 37074 - Portion of Blocks 2, 21, 22, 23, 3, and 4, North Lake Borgne Area, St. Bernard and St. Tammany Parishes, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on February 9, 2005, situated in St. Bernard and St. Tammany Parishes, Louisiana, and more particularly described as follows: Beginning at a point within Block 21, North Lake Borgne Area having Coordinates of X = 2,552,030.40 and Y = 529,359.99; thence North 5,798.71 feet to the Southeast corner of State Lease No. 6647, as amended, also being within Block 22; thence continue North 6,818.10 feet along the East line of said State Lease No. 6647 and the East line of State Lease No. 6646, as amended to its Northeast corner also being a point in Block 23 having Coordinates of X = 2,552,030.40 and Y = 541,976.80; thence East 5,870.00 feet to a point within Block 2 having Coordinates of X = 2,557,900.40 and Y = 541,976.80; thence South 12,616.81 feet to a point having Coordinates of X = 2,557,900.40 and Y = 529,359.99; thence West 5,870.00 feet to the Point of Beginning, containing approximately **1,700.20 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), where applicable.

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 \$150 per acre and a minimum royalty of 21%.

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

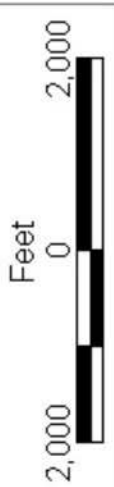
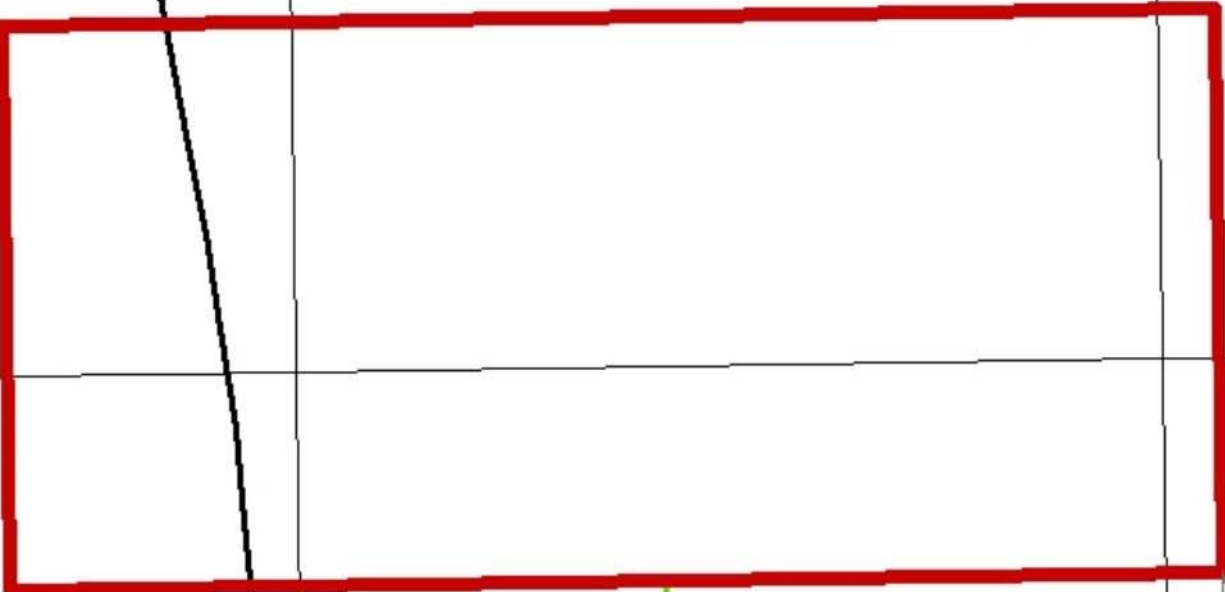


NORTH LAKE BORGNE AREA

BLOCK LB0002

BLOCK LB0003

BLOCK LB0004



ST TAMMANY PARISH

ST BERNARD PARISH

P.O.B.
X=2,552,030.40
Y=529,359.99

SL 6646

BLOCK LB0023

SL 6647

BLOCK LB0022

BLOCK LB0021

TRACT 37075 - Portion of Block 30, North Lake Borgne Area, Orleans Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on February 9, 2005, situated in Orleans Parish, Louisiana, and more particularly described as follows: Beginning at a point within Block 30, North Lake Borgne Area having Coordinates of X = 2,515,104.49 and Y = 538,091.28; thence Southerly approximately 5097 feet to the most East Northeast corner of State Lease No. 3327; thence along the boundary of said State Lease No. 3327 the following: Westerly approximately 13,200.00 feet and Northerly approximately 2,640.00 feet to its most north Northeast corner; thence Northerly approximately 2,645 feet to a point within Block 30 having Coordinates of X = 2,501,904.49 and Y = 538,091.28; thence East 13,200.00 feet to the Point of Beginning, **LESS AND EXCEPT** that portion, if any, of the above described tract which may lie within State Lease No. 3327, containing approximately **1,436 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), where applicable.

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 \$150 per acre and a minimum royalty of 21%.

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



ORLEANS PARISH

LAKE ST CATHERINE

NORTH LAKE BORGNE AREA

BLOCK LB0030

SL 3327

P.O.B.
X=2,515,104.49
Y=538,091.28



TRACT 37076 - Portion of Blocks 27, 28, 29, and 30, North Lake Borgne Area, Orleans Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on February 9, 2005, situated in Orleans Parish, Louisiana, and more particularly described as follows: Beginning at a point within Block 28, North Lake Borgne Area having Coordinates of X = 2,525,837.32 and Y = 529,359.99; thence West approximately 10,535 feet to a point on the East line of State Lease No. 3327, having a Coordinate of Y = 529,359.99, also being a point within Block 29; thence Northerly approximately 3,637 feet along the East line of said State Lease No. 3327 to its Northeast corner; thence Northerly approximately 5,097 feet to a point within Block 30 having Coordinates of X = 2,515,104.49 and Y = 538,091.28; thence East 10,732.83 feet to a point within Block 27 having Coordinates of X = 2,525,837.32 and Y = 538,091.28; thence South 8,731.29 feet to the point of beginning, **LESS AND EXCEPT** that portion, if any, which may lie within State Lease 3327, containing approximately **368 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), where applicable.

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 \$150 per acre and a minimum royalty of 21%.

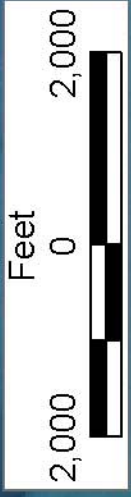
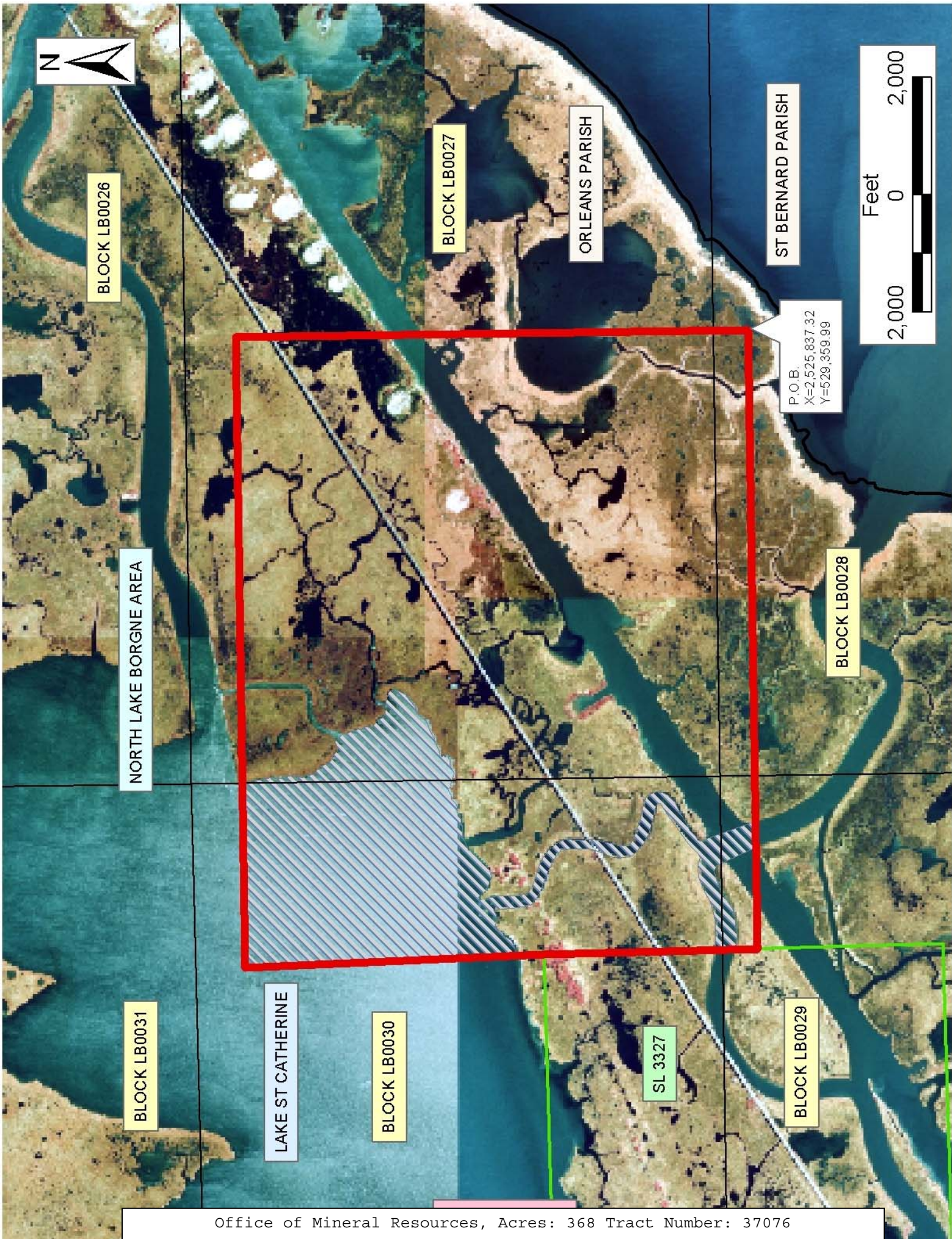
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing 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



BLOCK LB0026

NORTH LAKE BORGNE AREA

BLOCK LB0027

ORLEANS PARISH

ST BERNARD PARISH

BLOCK LB0028

BLOCK LB0031

LAKE ST CATHERINE

BLOCK LB0030

SL 3327

BLOCK LB0029

P.O.B.
X=2,525,837.32
Y=529,359.99

TRACT 37077 - Portion of Blocks 21, 22, 27, and 28, North Lake Borgne Area, Orleans and St. Bernard Parishes, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on February 9, 2005, situated in Orleans and St. Bernard Parishes, Louisiana, and more particularly described as follows: Beginning at a point within Block 21, North Lake Borgne Area having Coordinates of X = 2,540,395.74 and Y = 529,359.99; thence West 14,558.42 feet to a point within Block 28 having Coordinates of X = 2,525,837.32 and Y = 529,359.99; thence North 8,731.29 feet to a point within Block 27 having Coordinates of X = 2,525,837.32 and Y = 538,091.28; thence East 10,892.68 feet to a point on the West line of State Lease No. 6647, as amended, also being within Block 22; thence along the boundary of said State Lease No. 6647 the following: South 3,232.38 feet and East 3,665.74 to a point within Block 22 having Coordinates of X = 2,540,395.74 and Y = 534,858.90; thence South 5,498.91 feet to the point of beginning, containing approximately **1,608 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), where applicable.

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 \$150 per acre and a minimum royalty of 21%.

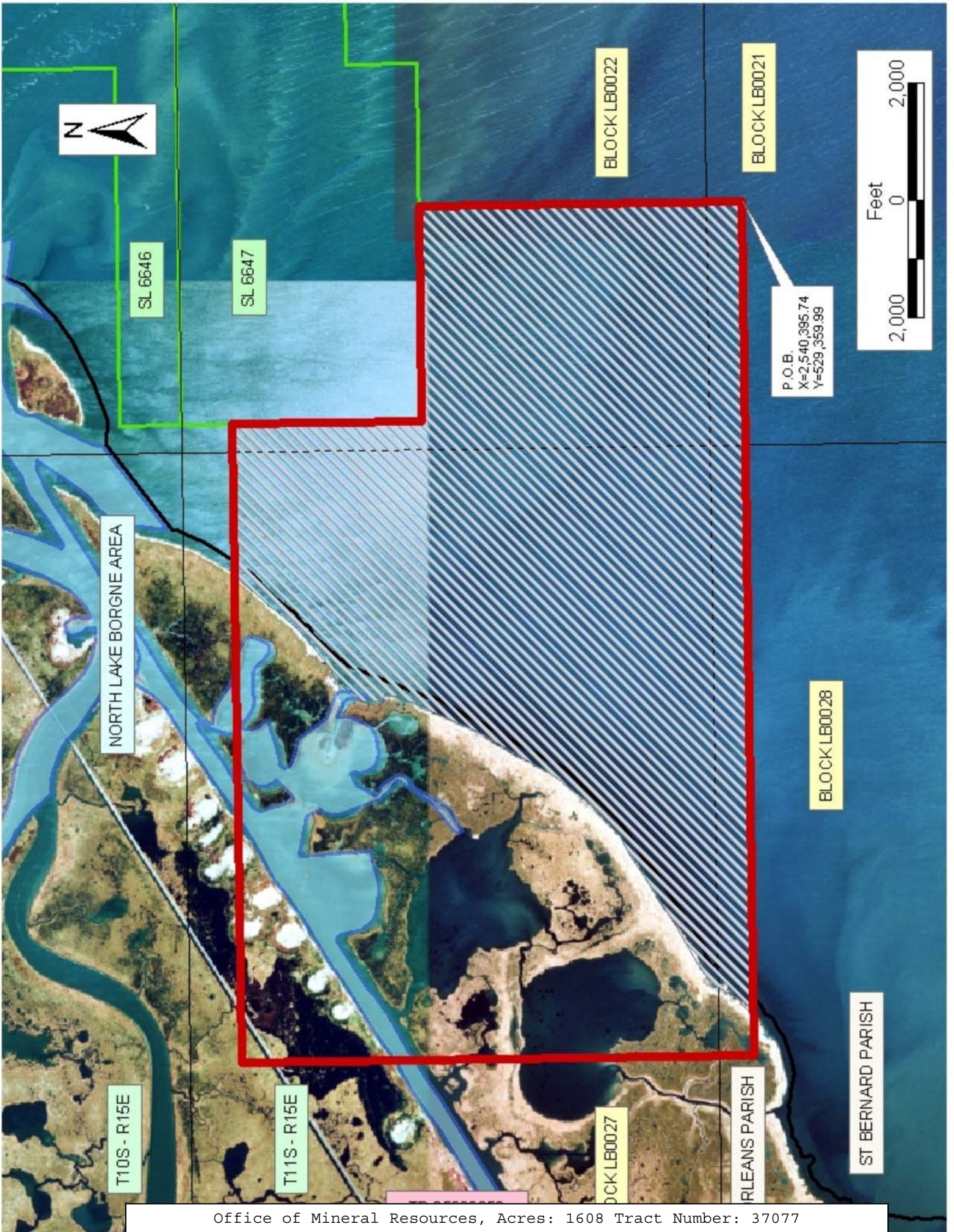
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing 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



TRACT 37078 - Portion of Blocks 21, and 22, North Lake Borgne Area, St. Bernard Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on February 9, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point within Block 21, North Lake Borgne Area, having Coordinates of X = 2,552,030.40 and Y = 529,359.99; thence West 11,634.66 feet to a point having Coordinates of X = 2,540,395.74 and Y = 529,359.99; thence North 5,498.91 feet to a point on the South line of State Lease No. 6647, as amended, also being within Block 22; thence along the boundary of said State Lease No. 6647 the following: East 2,434.66 feet, North 1,199.80 feet, East 4,600.00 feet, South 900.00 feet and East 4,600.00 to its Southeast corner, having Coordinates of X = 2,552,030.40 and Y = 535,158.70; thence South 5,798.71 feet to the point of beginning, containing approximately **1,627 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), where applicable.

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 \$150 per acre and a minimum royalty of 21%.

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.

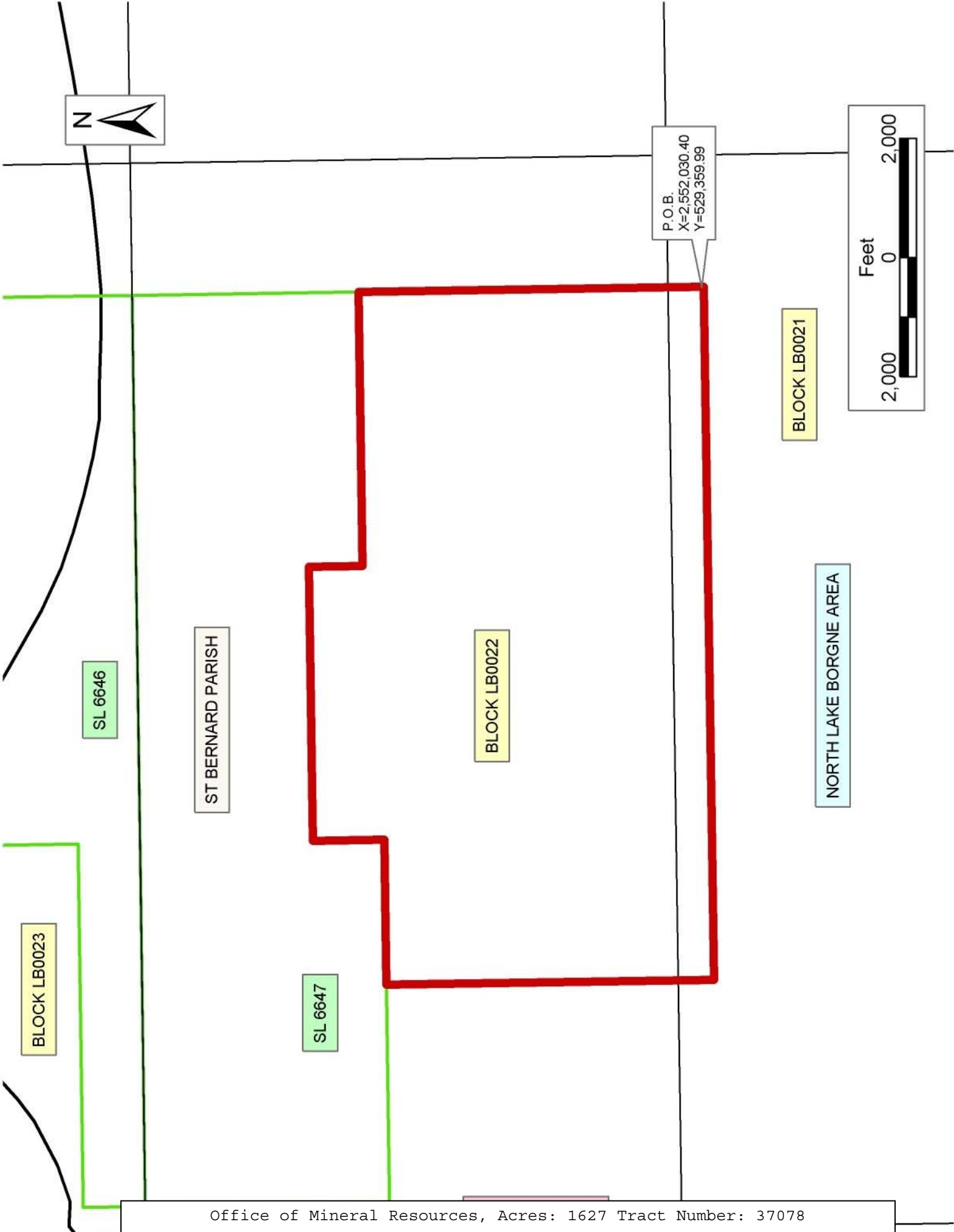
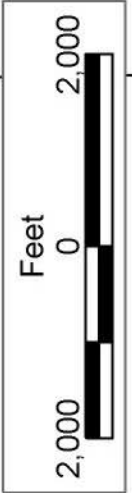
NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from 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



P.O.B.
X=2,552,030.40
Y=529,359.99



TRACT 37079 - Portion of Blocks 23, and 46, Chandeleur Sound Area Addition, Revised, St. Bernard Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on February 9, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point on the East line of Block 46, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,635,350.00 and Y = 496,636.00; thence West 5,076.00 feet to a point having Coordinates of X = 2,630,274.00 and Y = 496,636.00; thence North 2,694.00 feet to a point on the North line of said Block 46, also being a point on the South line of Block 23 having Coordinates of X = 2,630,274.00 and Y = 499,330.00; thence North 7,375.00 feet to a point having Coordinates of X = 2,630,274.00 and Y = 506,705.00; thence East 5,076.00 feet to a point on the East line of said Block 23 having Coordinates of X = 2,635,350.00 and Y = 506,705.00; thence South 7,375.00 feet along the East line of said Block 23 to its Southeast corner, also being the Northeast corner of said Block 46 having Coordinates of X = 2,635,350.00 and Y = 499,330.00; thence South 2,694.00 feet along the East line of said Block 46 to the point of beginning, containing approximately **1,059 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), where applicable.

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 \$230 per acre and a minimum royalty of 23%.

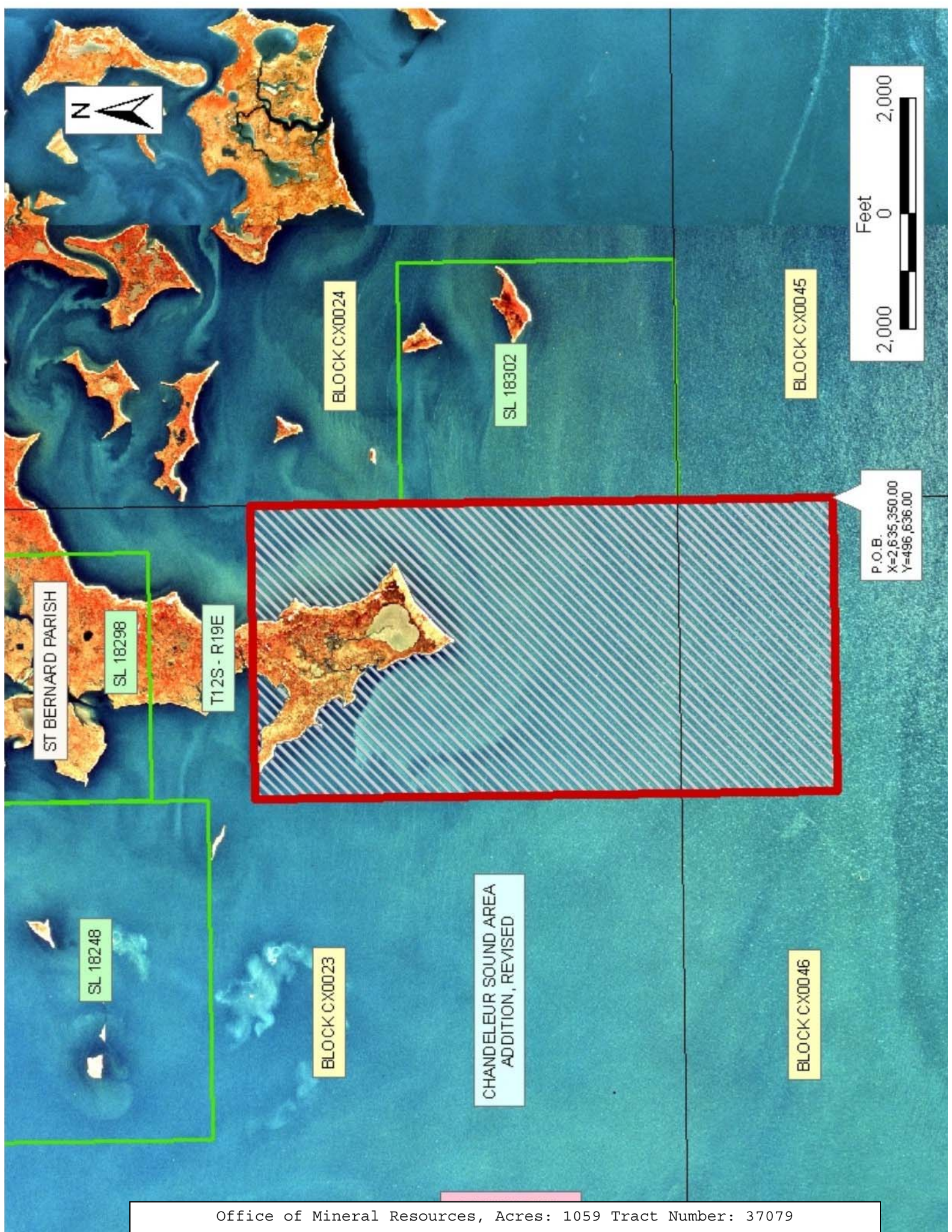
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its

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: Kare-Sue Energy, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



ST BERNARD PARISH

SL 18298

T12S - R19E

SL 18248

BLOCK CX0023

CHANDELEUR SOUND AREA
ADDITION, REVISED

BLOCK CX0046

BLOCK CX0024

SL 18302

BLOCK CX0045

P.O.B.
X=2,635,350.00
Y=496,636.00



TRACT 37080 - Portion of Block 46, Chandeleur Sound Area Addition, Revised, St. Bernard Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on February 9, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point on the East line of Block 46, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,635,350.00 and Y = 496,636.00; thence South 4,681.00 feet along the East line of said Block 46 to a point having Coordinates of X = 2,635,350.00 and Y = 491,955.00; thence West 14,750.00 feet to a point on the West line of said Block 46 having Coordinates of X = 2,620,600.00 and Y = 491,955.00; thence North 4,681.00 feet along the West line of said Block 46 to a point having Coordinates of X = 2,620,600.00 and Y = 496,636.00; thence East 14,750.00 feet to the point of beginning, containing approximately **1,496 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), where applicable.

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 \$230 per acre and a minimum royalty of 23%.

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: Kare-Sue Energy, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



BLOCK CX0046

ST BERNARD PARISH

CHANDELEUR SOUND AREA ADDITION, REVISED

P.O.B.
X=2,635,350.00
Y=496,636.00



T12S - R18E



TRACT 37081 - St. Bernard Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on February 9, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,598,758.00 and Y = 496,636.00; thence East 15,758.00 feet to a point having Coordinates of X = 2,614,516.00 and Y = 496,636.00; thence South 5,589.00 feet to a point having Coordinates of X = 2,614,516.00 and Y = 491,047.00; thence West 15,420.19 feet to a point on the Eastern boundary line of the Biloxi Wildlife Management Area having Coordinates of X = 2,599,095.81 and Y = 491,047.00; thence along the boundary of said Biloxi Wildlife Management Area the following courses and distances: North 02 degrees 47 minutes 00 seconds West 335.15 feet and South 87 degrees 44 minutes 54 seconds West 321.78 feet to a point on the Northern boundary line of said Biloxi Wildlife Management Area having Coordinates of X = 2,598,758.00 and Y = 491,369.11; thence North 5,266.89 feet to the point of beginning, **LESS AND EXCEPT** any portion of the Biloxi Wildlife Management Area that may lie within the above described tract, containing approximately **1,826 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), where applicable.

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NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

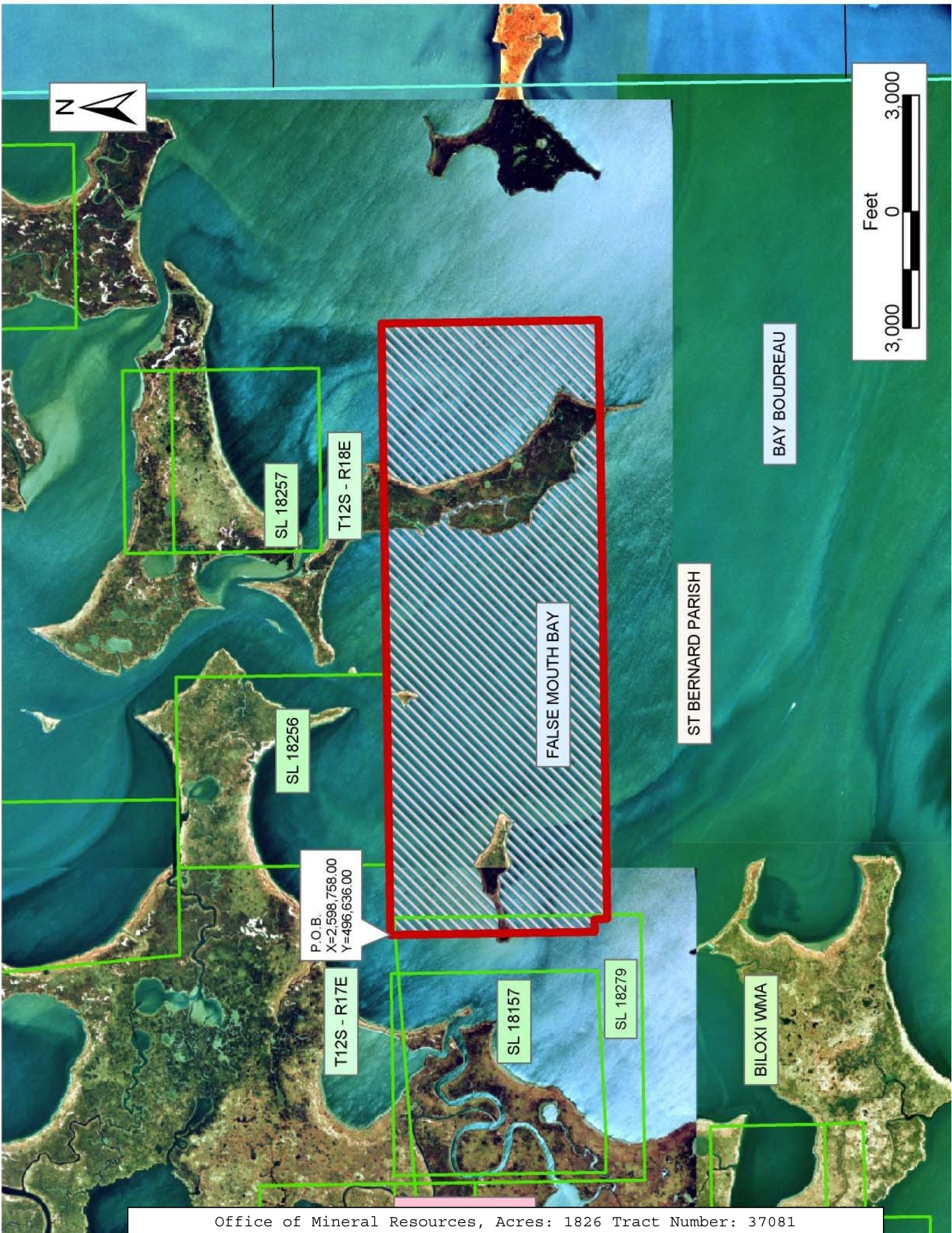
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing,

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: Kare-Sue Energy, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



TRACT 37082 - St. Bernard Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on February 9, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,614,516.00 and Y = 496,636.00; thence East 6,084.00 feet to a point having Coordinates of X = 2,620,600.00 and Y = 496,636.00; thence South 16,767.00 feet to a point having Coordinates of X = 2,620,600.00 and Y = 479,869.00; thence West 6,084.00 feet to a point having Coordinates of X = 2,614,516.00 and Y = 479,869.00; thence North 16,767.00 feet to the point of beginning, containing approximately **2,216 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), where applicable.

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.

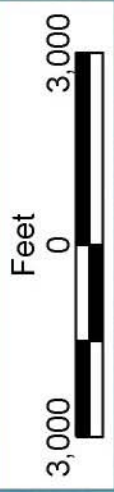
NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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: Kare-Sue Energy, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



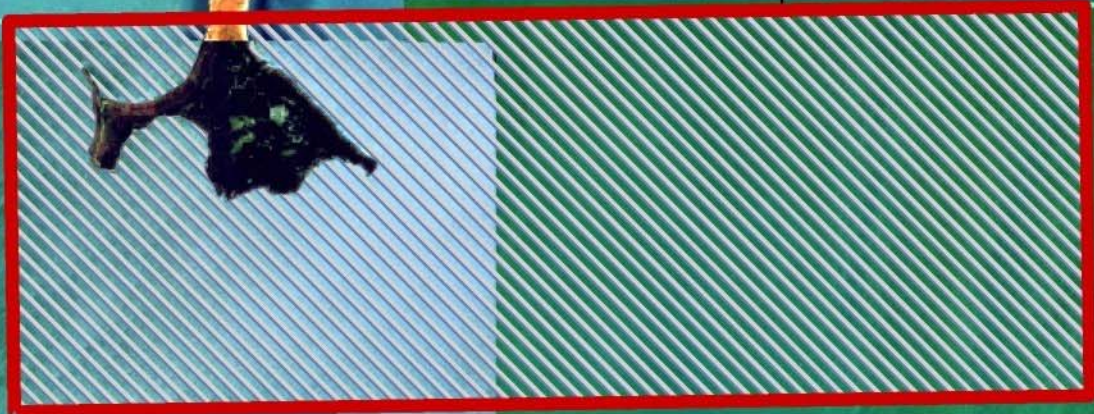
CHANDELEUR SOUND AREA
ADDITION, REVISED

BLOCK CX0046

T12S - R18E

BLOCK CX0047

NINEMILE BAY



SL 18257

P.O.B.
X=2,614,516.00
Y=496,636.00

ST BERNARD PARISH

BAY BOUDREAU

TRACT 37083 - Portion of Block 46, Chandeleur Sound Area Addition, Revised, St. Bernard Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on February 9, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the Southeast corner of Block 46, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,635,350.00 and Y = 484,580.00; thence West 14,750.00 feet along the South line of said Block 46 to its Southwest corner having Coordinates of X = 2,620,600.00 and Y = 484,580.00; thence North 7,375.00 feet along the West line of said Block 46 to a point having Coordinates of X = 2,620,600.00 and Y = 491,955.00; thence East 14,750.00 feet to a point on the East line of said Block 46 having Coordinates of X = 2,635,350.00 and Y = 491,955.00; thence South 7,375.00 feet along the East line of said Block 46 to the point of beginning, containing approximately **2,383 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), where applicable.

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 \$230 per acre and a minimum royalty of 23%.

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: Kare-Sue Energy, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

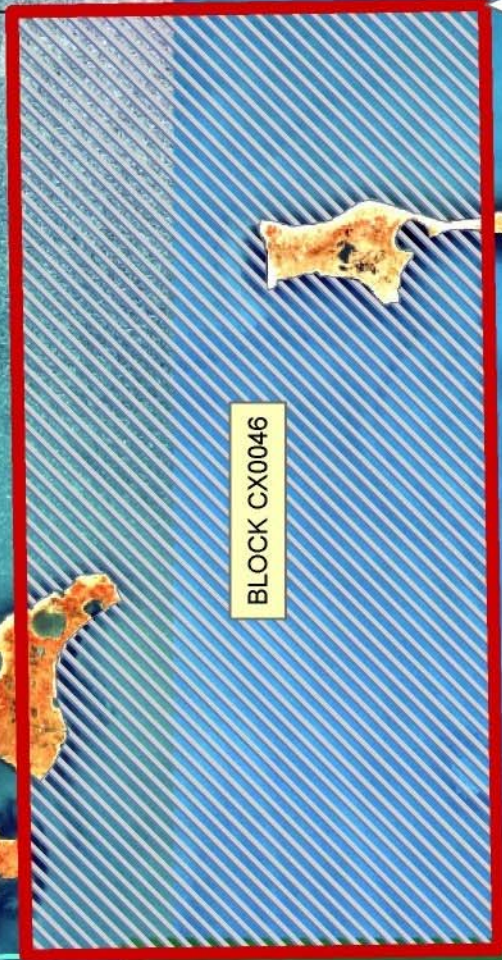


CHANDELEUR SOUND AREA ADDITION, REVISED

ST BERNARD PARISH

T12S - R18E

BLOCK CX0045



BLOCK CX0046

P.O.B.
X=2,635,350.00
Y=484,580.00

BLOCK CX0048

BLOCK CX0047

T12S - R18E