

TRACT 37084 - 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 = 2,605,610.50 and Y = 479,869.00; thence West 986.97 feet to the Northeast corner of State Lease No. 17954 having Coordinates of X = 2,604,623.53 and Y = 479,869.00; thence West 5,097.30 feet along the North line of said State Lease No. 17954 to its Northwest corner, also being a point on the boundary of the Biloxi Wildlife Management Area having Coordinates of X = 2,599,526.23 and Y = 479,869.00; thence along the boundary of said Biloxi Wildlife Management Area the following courses and distances: North 01 degrees 45 minutes 04 seconds West 463.89 feet, South 89 degrees 43 minutes 31 seconds West 5,620.61 feet, North 01 degrees 50 minutes 38 seconds West 2,600.36 feet and North 01 degrees 50 minutes 05 seconds West 1,625.86 feet to the Southeast corner of State Lease No. 17976 having Coordinates of X = 2,593,755.79 and Y = 484,529.78; thence North 01 degrees 50 minutes 05 seconds West 999.95 feet along the East line of said State Lease No. 17976 to its Northeast corner, and the Southeast corner of State Lease No. 17951, also being a point on the boundary of said Biloxi Wildlife Management Area having Coordinates of X = 2,593,723.77 and Y = 485,529.22; thence along the boundary of said Biloxi Wildlife Management Area the following courses and distances: North 88 degrees 52 minutes 34 seconds East 4,555.71 feet, North 88 degrees 51 minutes 44 seconds East 1,082.73 feet, North 02 degrees 49 minutes 18 seconds West 1,837.38 feet, North 02 degrees 58 minutes 50 seconds West 356.59 feet, North 02 degrees 47 minutes 00 seconds West 3,219.46 feet to a point having Coordinates of X = 2,599,095.81 and Y = 491,047.00; thence East 6,514.69 feet to a point having Coordinates of X = 2,605,610.50 and Y = 491,047.00; thence South 11,178.00 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 **1,971 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.

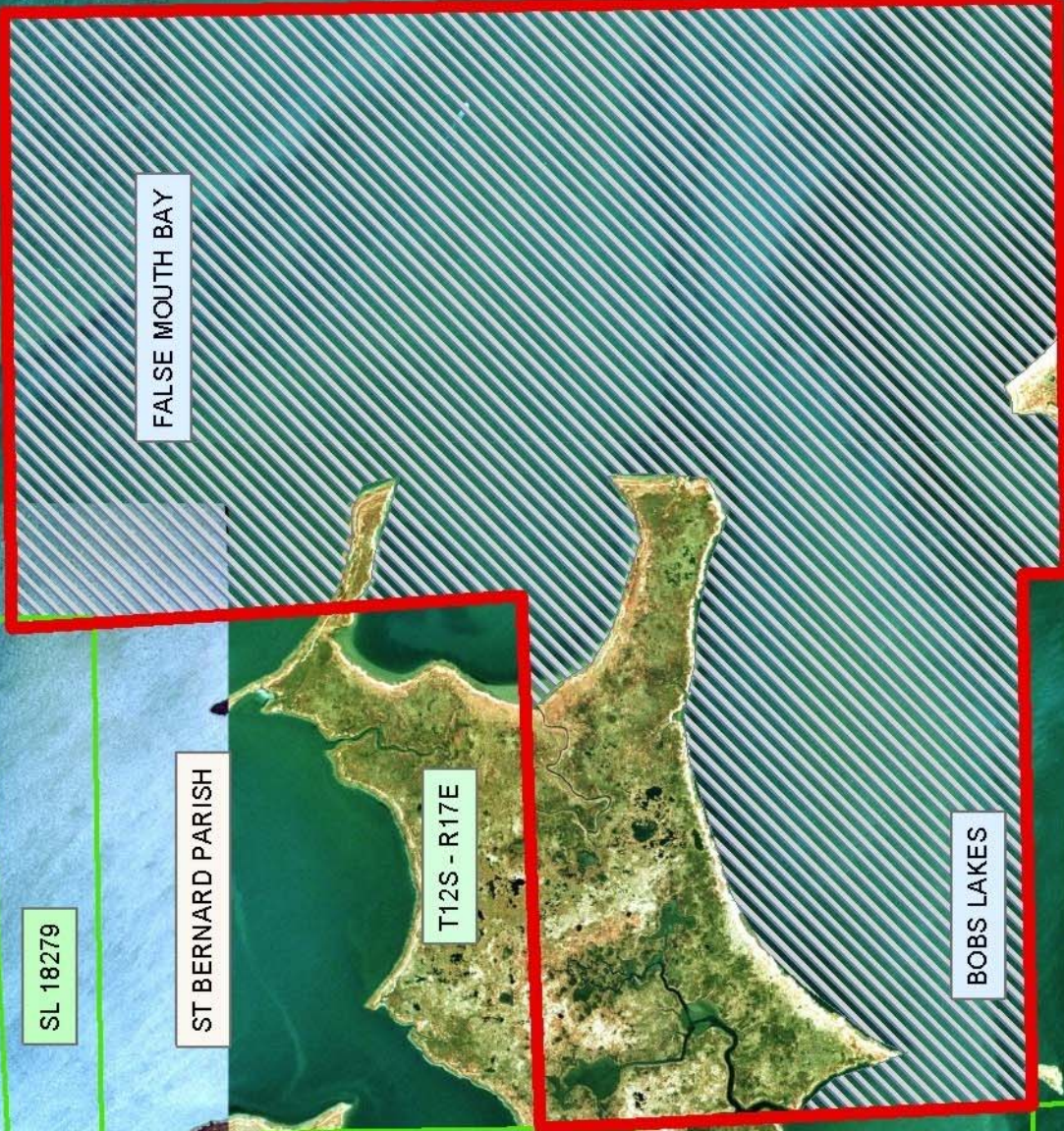
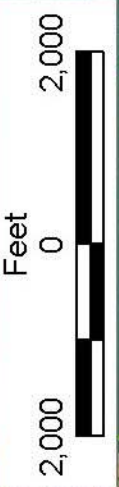
NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from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



P.O.B.
X=2,605,610.50
Y=479,869.00



FALSE MOUTH BAY

BOBS LAKES

T12S - R18E

SL 17954

BILOXI WMA

ST BERNARD PARISH

T12S - R17E

SL 17953

SL 18157

SL 18279

SL 17951

SL 17976

TRACT 37085 - 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 = 2,605,610.50 and Y = 479,869.00; thence North 11,178.00 feet to a point having Coordinates of X = 2,605,610.50 and Y = 491,047.00; thence East 8,905.50 feet to a point having Coordinates of X = 2,614,516.00 and Y = 491,047.00; thence South 11,178.00 feet to a point having Coordinates of X = 2,614,516.00 and Y = 479,869.00; thence West 8,905.50 feet to the point of beginning, containing approximately **2,282 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.

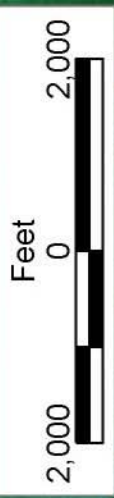
NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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.

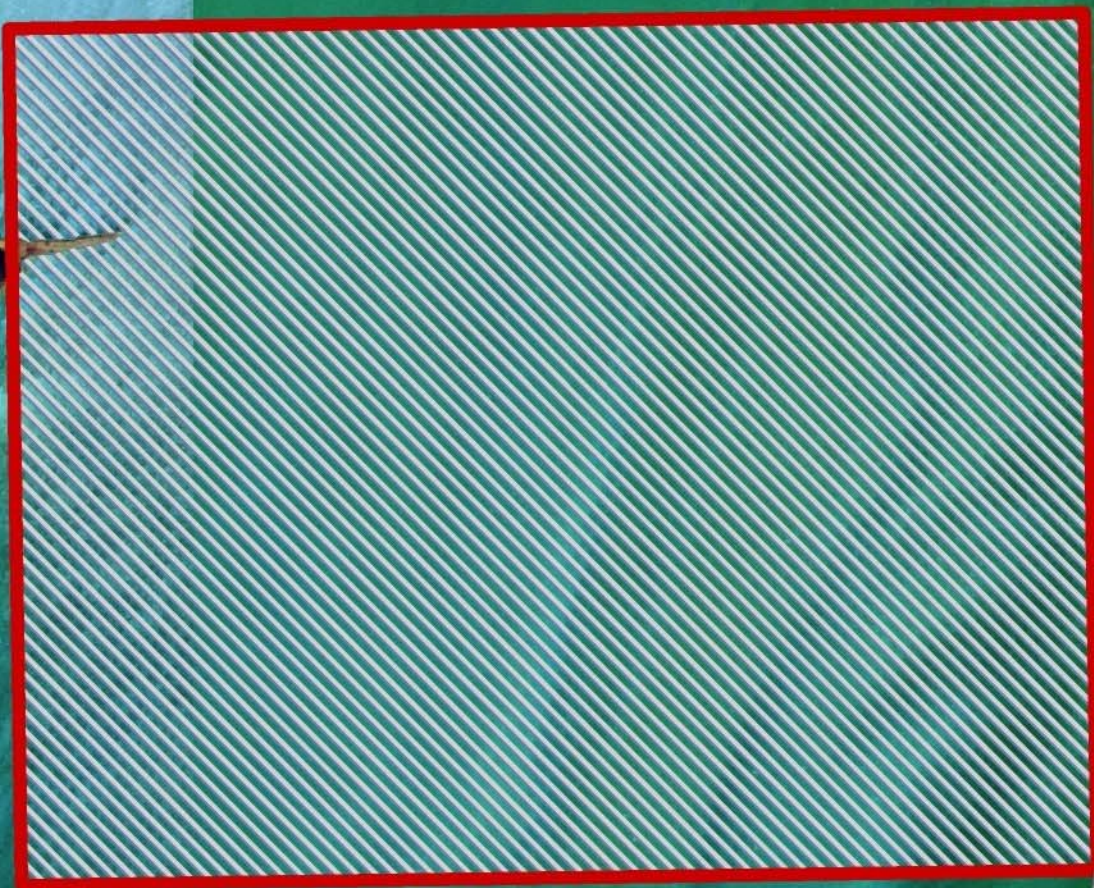
Applicant: Kare-Sue Energy, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



BAY BOUDREAU

T12S - R18E



FALSE MOUTH BAY

ST BERNARD PARISH

P.O.B.
X=2,605,610.50
Y=479,869.00

SL 17954

TRACT 37086 - Portion of Block 47, 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 Northeast corner of Block 47, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,635,350.00 and Y = 484,580.00; thence South 7,375.00 feet along the East line of said Block 47 to a point having Coordinates of X = 2,635,350.00 and Y = 477,205.00; thence West 14,750.00 feet to a point on the West line of said Block 47 having Coordinates of X = 2,620,600.00 and Y = 477,205.00; thence North 7,375.00 feet along the West line of said Block 47 to its Northwest corner having Coordinates of X = 2,620,600.00 and Y = 484,580.00; thence East 14,750.00 feet along the North line of said Block 47 to the point of beginning, containing approximately **2,193 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



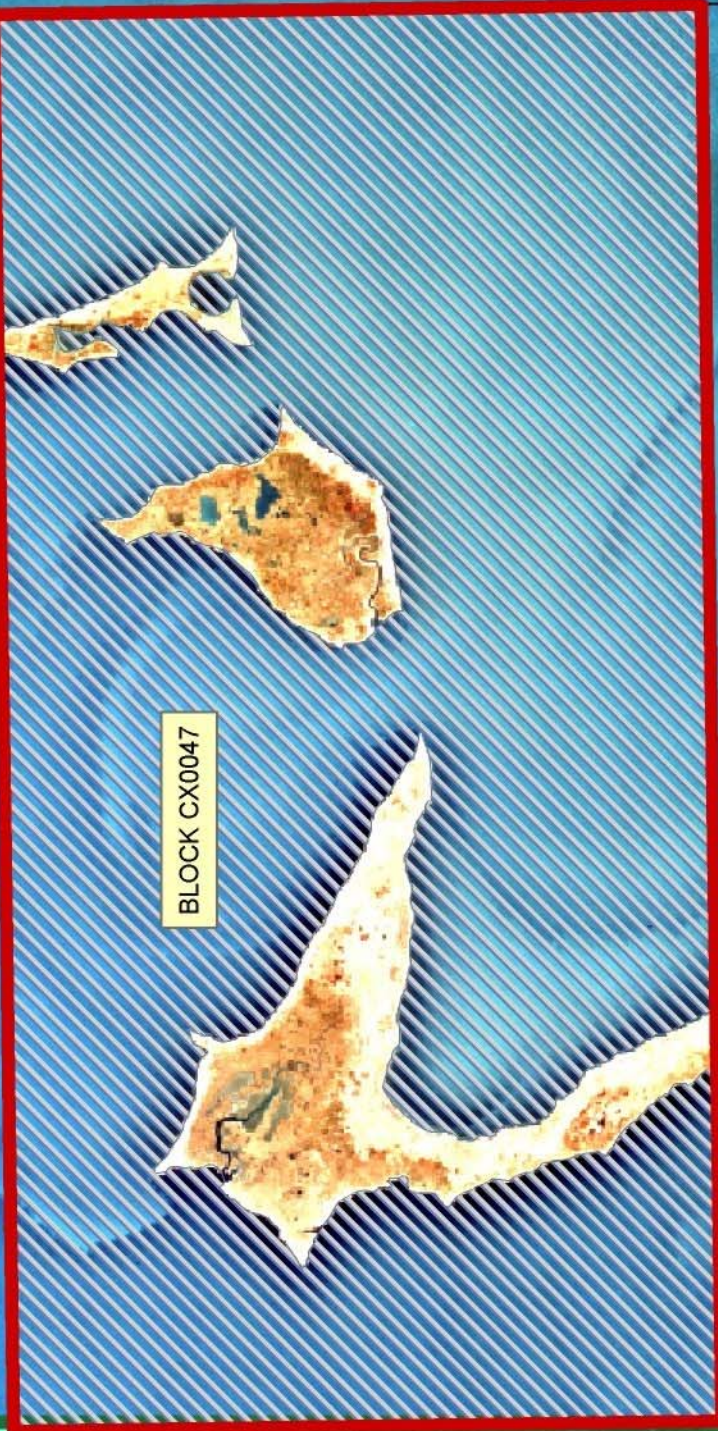
P.O.B.
X=2,635,350.00
Y=484,580.00

T12S - R19E

T12S - R18E

ST BERNARD PARISH

BLOCK CX0046



BLOCK CX0047

CHANDELEUR SOUND AREA ADDITION, REVISED



TRACT 37087 - 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 = 2,620,600.00 and Y = 479,869.00; thence South 6,000.00 feet to a point having Coordinates of X = 2,620,600.00 and Y = 473,869.00; thence West 15,659.71 feet to a point on the East line of State Lease No. 17954 having Coordinates of X = 2,604,940.29 and Y = 473,869.00; thence along the boundary of said State Lease No. 17954 the following courses and distances: North 04 degrees 52 minutes 36 seconds West 1,486.06 feet and North 02 degrees 24 minutes 46 seconds West 4,523.33 feet to the Northeast corner of said State Lease No. 17954 having Coordinates of X = 2,604,623.53 and Y = 479,869.00; thence East 15,976.47 feet to the point of beginning, containing approximately **1,870 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%.

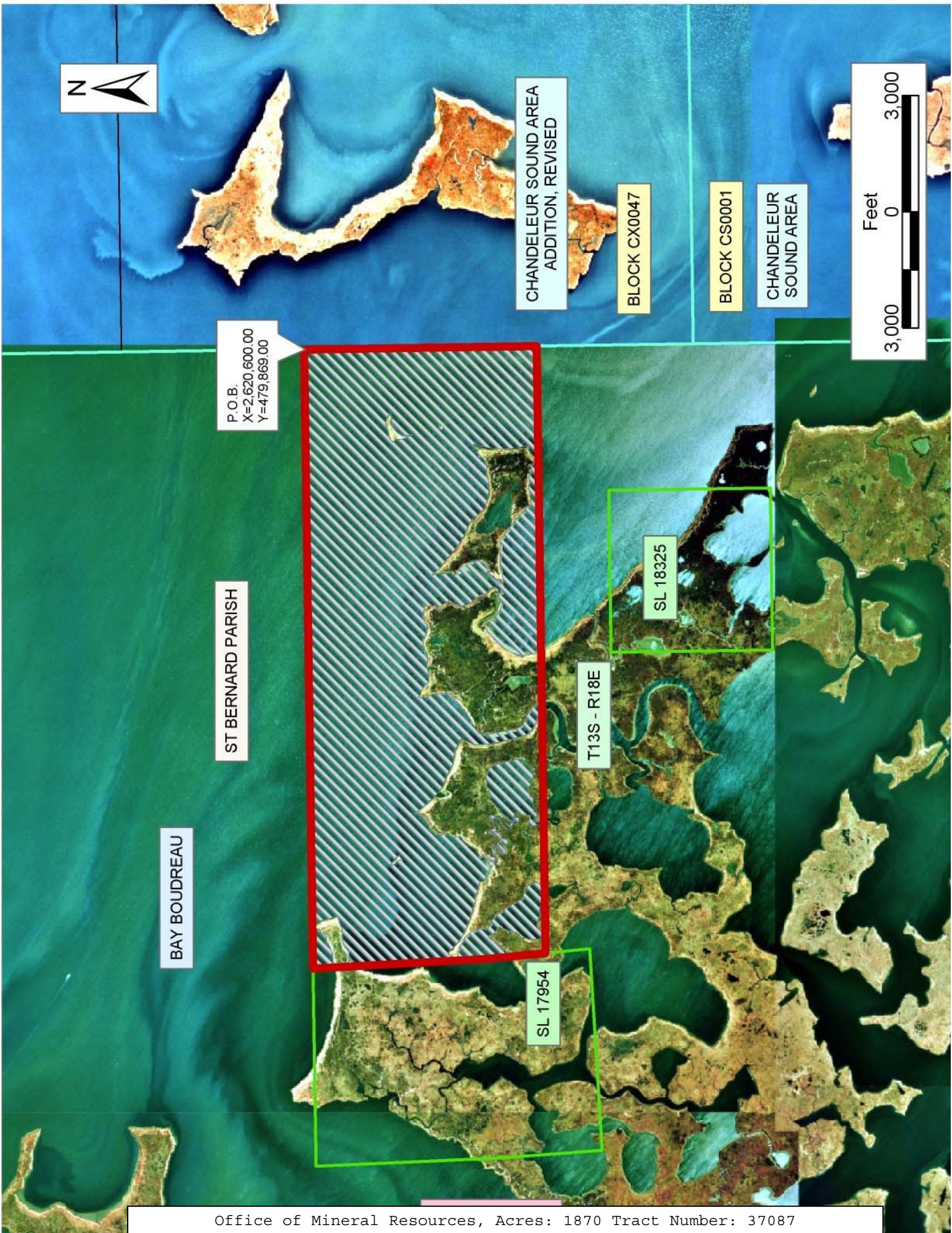
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing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



P.O.B.
X=2,620,600.00
Y=479,869.00

BAY BOUDREAU

ST BERNARD PARISH

CHANDELEUR SOUND AREA
ADDITION, REVISED

BLOCK CX0047

BLOCK CS0001

CHANDELEUR
SOUND AREA



TRACT 37088 - Portion of Block 47, 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 47, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,635,350.00 and Y = 469,830.00; thence West 14,750.00 feet along the South line of said Block 47 to its Southwest corner having Coordinates of X = 2,620,600.00 and Y = 469,830.00; thence North 7,375.00 feet along the West line of said Block 47 to a point having Coordinates of X = 2,620,600.00 and Y = 477,205.00; thence East 14,750.00 feet to a point on the East line of said Block 47 having Coordinates of X = 2,635,350.00 and Y = 477,205.00; thence South 7,375.00 feet along the East line of said Block 47 to the point of beginning, containing approximately **2,203 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%.

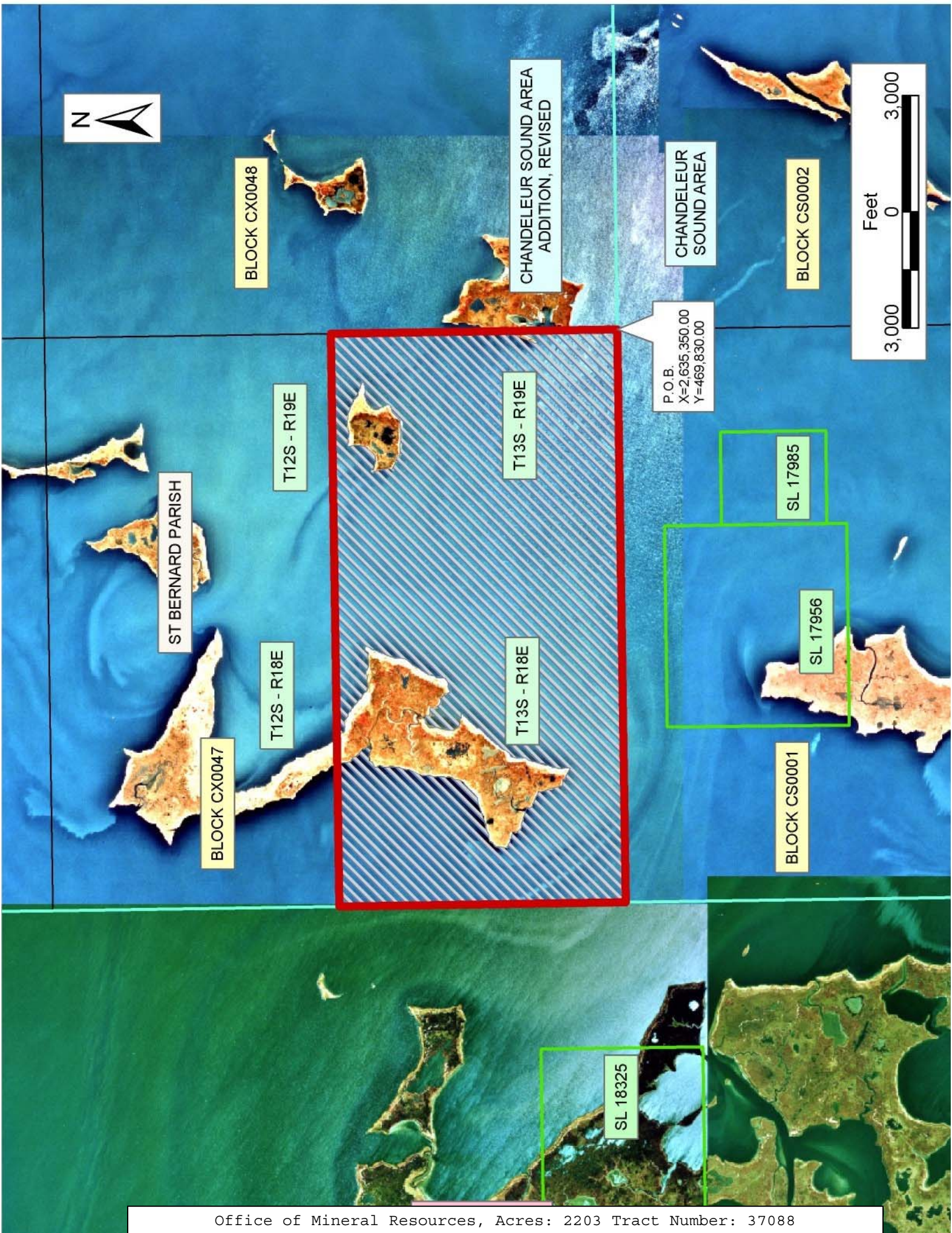
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing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



TRACT 37089 - 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 = 2,620,600.00 and Y = 461,857.44; thence West 4,974.50 feet to the Southeast corner of State Lease No. 18324 having Coordinates of X = 2,615,625.50 and Y = 461,857.44; thence along the boundary of said State Lease No. 18324 the following courses: North 2,551.06 feet, West 4,175.00 feet and South 2,551.06 feet to the Southwest corner of said State Lease No. 18324 having Coordinates of X = 2,611,450.50 and Y = 461,857.44; thence West 706.27 feet to a point having Coordinates of X = 2,610,744.23 and Y = 461,857.44; thence North 12,011.56 feet to a point having Coordinates of X = 2,610,744.23 and Y = 473,869.00; thence East 9,855.77 feet to a point having Coordinates of X = 2,620,600.00 and Y = 473,869.00; thence South 12,011.56 feet to the point of beginning, **LESS AND EXCEPT** that portion of State Lease No. 18325 that lies within the above described tract, and described as follows: Beginning at a point having Coordinates of X = 2,616,851.50 and Y = 467,892.50; thence North 89 degrees 52 minutes 48 seconds West 4,175.01 feet to a point having Coordinates of X = 2,612,676.50 and Y = 467,901.25; thence North 4,166.25 feet to a point having Coordinates of X = 2,162,676.50 and Y = 472,067.50; thence East 4,175.00 feet to a point having Coordinates of X = 2,616,851.50 and Y = 472,067.50; thence South 4,175.00 feet to the point of beginning, containing approximately **1,327 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.

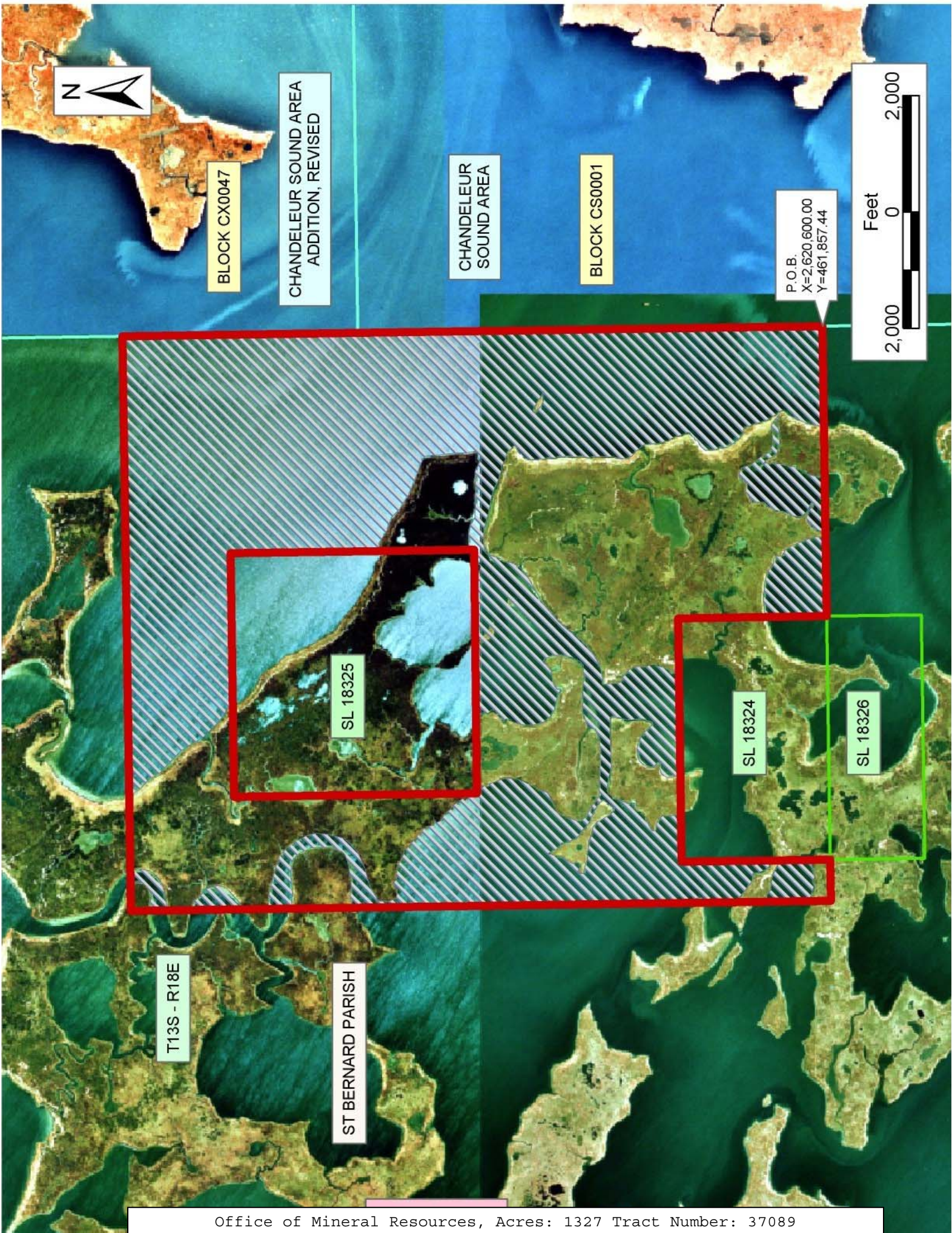
NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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



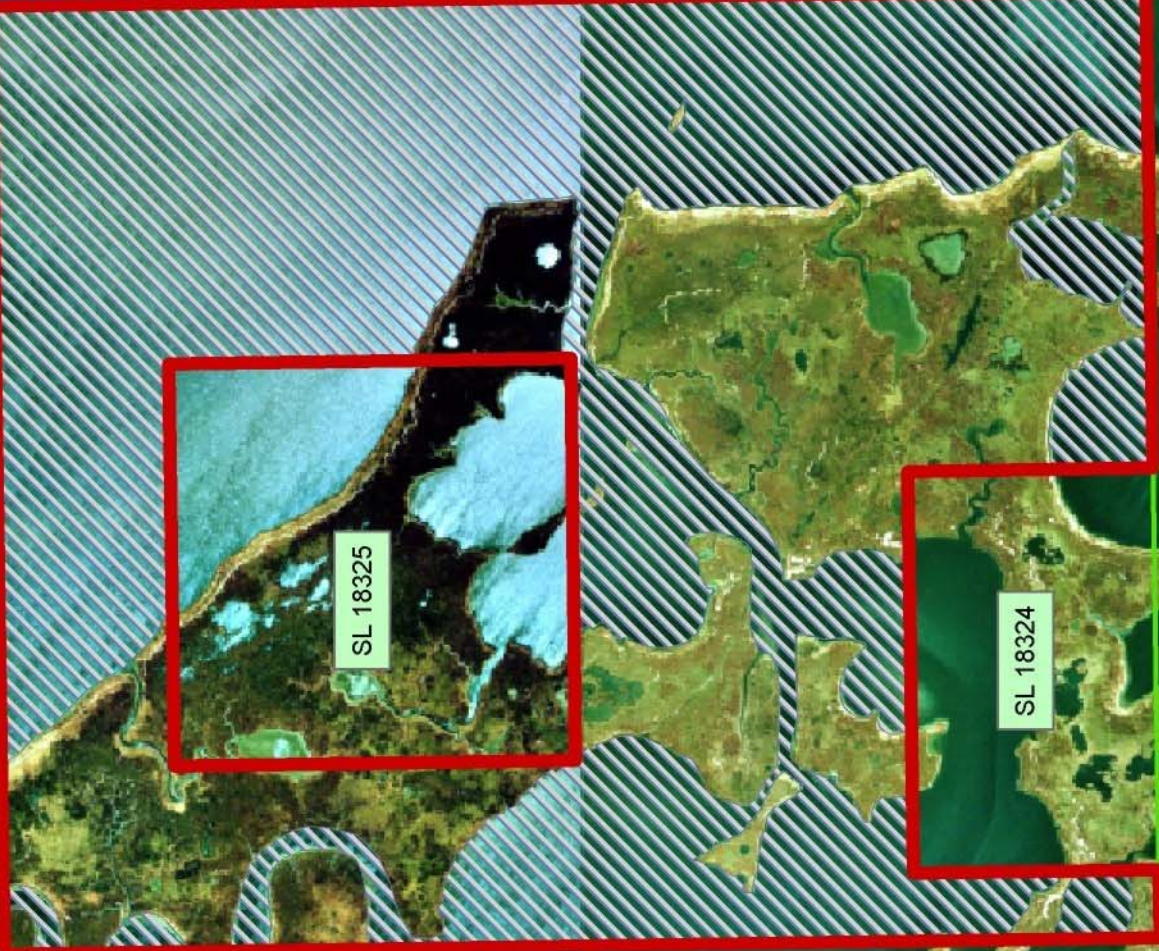
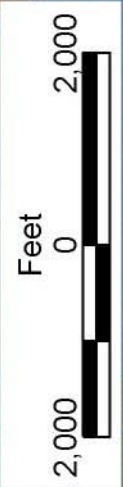
BLOCK CX0047

CHANDELEUR SOUND AREA
ADDITION, REVISED

CHANDELEUR
SOUND AREA

BLOCK CS0001

P.O.B.
X=2,620,600.00
Y=461,857.44



SL 18325

SL 18324

SL 18326

T13S - R18E

ST BERNARD PARISH

TRACT 37090 - 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 = 2,610,744.23 and Y = 461,857.44; thence West 10,745.35 feet to the Northeast corner of State Lease No. 17980, also being a point on the boundary of the Biloxi Wildlife Management Area having Coordinates of X = 2,599,998.89 and Y = 461,857.44; thence North 02 degrees 47 minutes 17 seconds West 2,798.40 feet, North 01 degrees 32 minutes 12 seconds East 804.40 feet, North 01 degrees 11 minutes 32 seconds East 254.72 feet, North 01 degrees 33 minutes 49 seconds East 578.74 feet, North 01 degrees 25 minutes 01 seconds East 3,533.95 feet and North 03 degrees 29 minutes 43 seconds West 2,664.54 feet along the boundary of said Biloxi Wildlife Management Area to a point, also being the Southwest corner of State Lease No. 17954 having Coordinates of X = 2,599,830.37 and Y = 472,482.28; thence along the boundary of said State Lease No. 17954 the following courses and distances: North 87 degrees 20 minutes 23 seconds East 5,213.21 feet and North 04 degrees 52 minutes 36 seconds West 1,148.90 feet to a point on the East line of said State Lease No. 17954 having Coordinates of X = 2,604,940.29 and Y = 473,869.00; thence East 5,803.94 feet to a point having Coordinates of X = 2,610,744.23 and Y = 473,869.00; thence South 12,011.56 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 **1,792 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

T13S - R18E

SL 18325

SL 18324

SL 18326

P.O.B.
X=2,610,744.23
Y=461,857.44

LAKE EUGENIE

SL 17954

SL 17980



TRACT 37091 - Portion of Block 1, Chandeleur Sound 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 the Northeast corner of Block 1, Chandeleur Sound Area having Coordinates of X = 2,635,350.00 and Y = 469,830.00; thence South 7,375.00 feet along the East line of said Block 1 to a point having Coordinates of X = 2,635,350.00 and Y = 462,455.00; thence West 14,750.00 feet to a point on the West line of said Block 1 having Coordinates of X = 2,620,600.00 and Y = 462,455.00; thence North 7,375.00 feet along the West line of said Block 1 to its Northwest corner having Coordinates of X = 2,620,600.00 and Y = 469,830.00; thence East 14,750.00 feet along the North line of said Block 1 to the point of beginning, **LESS AND EXCEPT** all those portions of State Lease No. 17956 and State Lease No. 17985 that lies within the above described tract, more particularly described as follows: Beginning at the Northwest corner of State Lease No. 17956 having Coordinates of X = 2,625,098.50 and Y = 468,691.00; thence East 5,175.50 feet along the North line of said State Lease No. 17956 to its Northeast corner having Coordinates of X = 2,630,274.00 and Y = 468,691.00; thence South 1,472.00 feet along the East line of said State Lease No. 17956 to a point, also being the Northwest corner of State Lease No. 17985 having Coordinates of X = 2,630,274.00 and Y = 467,219.00; thence East 2,392.00 feet along the North line of said State Lease No. 17985 to its Northeast corner having Coordinates of X = 2,632,666.00 and Y = 467,219.00; thence South 2,715.00 feet along the East line of said State Lease No. 17985 to its Southeast corner having Coordinates of X = 2,632,666.00 and Y = 464,504.00; thence West 2,392.00 feet along the South line of said State Lease No. 17985 to its Southwest corner, also being a point on the East line of said State Lease No. 17956 having Coordinates of X = 2,630,274.00 and Y = 464,504.00; thence South 502.50 feet along the East line of said State Lease No. 17956 to its Southeast corner having Coordinates of X = 2,630,274.00 and Y = 464,001.50; thence North 89 degrees 58 minutes 41 seconds West 5,201.00 feet along the South line of said State Lease No. 17956 to its Southwest corner having Coordinates of X = 2,625,073.00 and Y = 464,003.50; thence North 00 degrees 18 minutes 42 seconds East 4,687.57 feet along the West line of said State Lease No. 17956 to the point of beginning, containing approximately **1,705 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

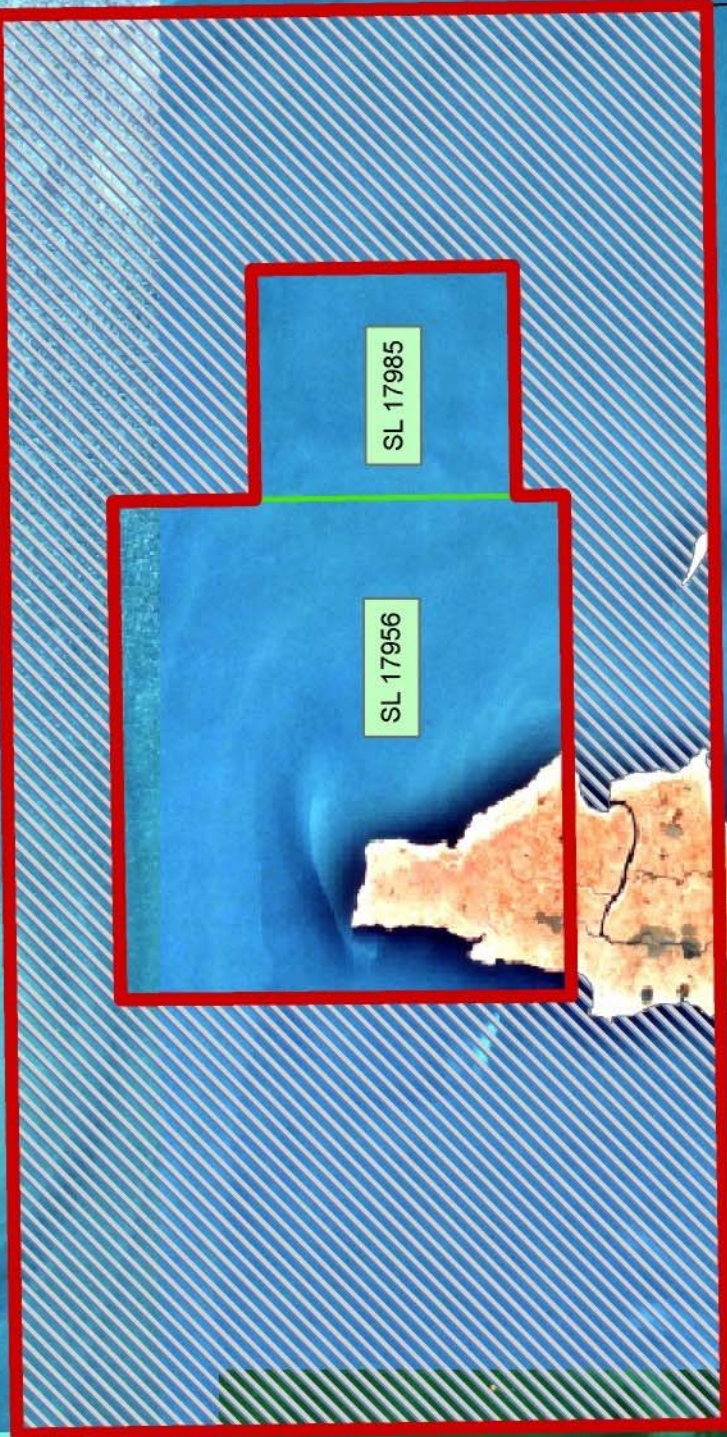


P.O.B.
X=2,635,350.00
Y=469,830.00

BLOCK CX0047

CHANDELEUR SOUND AREA
ADDITION, REVISED

ST BERNARD PARISH



SL 17985

SL 17956

T13S - R19E

BLOCK CS0001

CHANDELEUR SOUND AREA

T13S - R18E



TRACT 37092 - Portion of Block 1, Chandeleur Sound 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 the Southeast corner of Block 1, Chandeleur Sound Area having Coordinates of X = 2,635,350.00 and Y = 455,080.00; thence West 14,750.00 feet along the South line of said Block 1 to its Southwest corner having Coordinates of X = 2,620,600.00 and Y = 455,080.00; thence North 7,375.00 feet along the West line of said Block 1 to a point having Coordinates of X = 2,620,600.00 and Y = 462,455.00; thence East 14,750.00 feet to a point on the East line of said Block 1 having Coordinates of X = 2,635,350.00 and Y = 462,455.00; thence South 7,375.00 feet along the East line of said Block 1 to the point of beginning, containing approximately **2,224 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%.

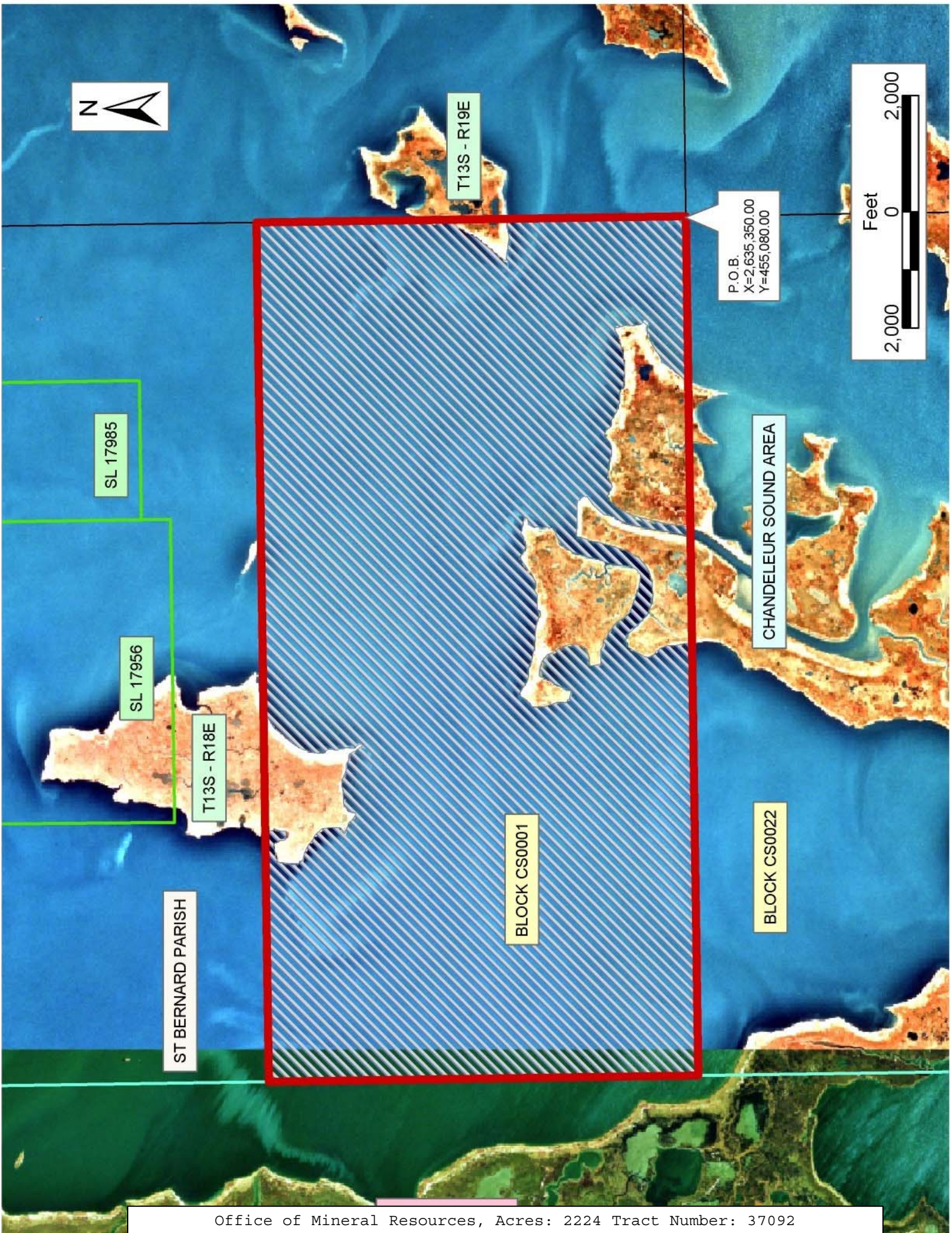
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing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



SL 17985

SL 17956

T13S - R18E

ST BERNARD PARISH

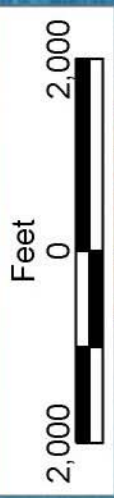
T13S - R19E

BLOCK CS0001

CHANDELEUR SOUND AREA

BLOCK CS0022

P.O.B.
X=2,635,350.00
Y=455,080.00



TRACT 37093 - 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 = 2,620,600.00 and Y = 461,857.44; thence South 12,639.44 feet to a point having Coordinates of X = 2,620,600.00 and Y = 449,218.00; thence West 9,757.02 feet to a point having Coordinates of X = 2,610,842.98 and Y = 449,218.00; thence North 7,169.38 feet to the Southeast corner of State Lease No. 17957 having Coordinates of X = 2,610,842.98 and Y = 456,387.38; thence North 01 degrees 50 minutes 55 seconds West 3,921.66 feet along the East line of said State Lease No. 17957 to its Northeast corner having Coordinates of X = 2,610,716.48 and Y = 460,307.00; thence North 01 degrees 01 minutes 32 seconds East 1,550.69 feet to a point having Coordinates of X = 2,610,744.23 and Y = 461,857.44; thence East 706.27 feet to the Northwest corner of State Lease No. 18326 having Coordinates of X = 2,611,450.50 and Y = 461,857.44; thence along the boundary of said State Lease No. 18326 the following courses: South 1,623.94 feet, East 4,175.00 feet and North 1,623.94 feet to the Northeast corner of said State Lease No. 18326 having Coordinates of X = 2,615,625.50 and Y = 461,857.44; thence East 4,974.50 feet to the point of beginning, containing approximately **1,130 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.

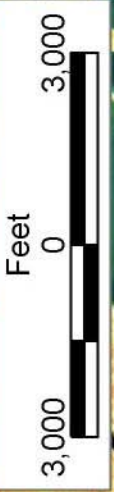
NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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

BLOCK CS0001

BLOCK CS0022

P.O.B.
X=2,620,600.00
Y=461,857.44

SL 18324

SL 18326

SL 17957

T13S - R18E

ST BERNARD PARISH