

**TRACT 37094 - 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 South 01 degrees 01 minutes 32 seconds West 1,550.69 feet to the Northeast corner of State Lease No. 17957 having Coordinates of X = 2,610,716.48 and Y = 460,307.00; thence along the boundary of said State Lease No. 17957 the following courses and distances: West 5,343.98 feet, South 02 degrees 10 minutes 37 seconds East 4,002.89 feet, North 89 degrees 08 minutes 03 seconds East 5,319.04 feet to the Southeast corner of said State Lease No. 17957 having Coordinates of X = 2,610,842.98 and Y = 456,387.38; thence South 7,169.38 feet to a point having Coordinates of X = 2,610,842.98 and Y = 449,218.00; thence West 10,488.76 feet to a point on the boundary of the Biloxi Wildlife Management Area and the East boundary of State Lease No. 17980 having Coordinates of X = 2,600,354.22 and Y = 449,218.00; thence along the boundary of said Biloxi Wildlife Management Area and the boundary of said State Lease No. 17980 the following courses and distances: North 01 degrees 43 minutes 35 seconds West 153.21 feet, North 00 degrees 56 minutes 46 seconds West 254.55 feet, North 01 degrees 47 minutes 33 seconds West 214.57 feet, North 01 degrees 11 minutes 32 seconds West 738.19 feet, North 01 degrees 12 minutes 37 seconds West 1,346.16 feet, North 01 degrees 12 minutes 37 seconds West 2,777.54 feet, North 01 degrees 37 minutes 40 seconds West 1,065.53 feet, North 01 degrees 48 minutes 11 seconds West 847.37 feet, North 01 degrees 33 minutes 27 seconds West 1,781.93 feet, North 01 degrees 38 minutes 27 seconds West 1,829.24 feet, North 02 degrees 47 minutes 17 seconds West 84.37 feet and North 02 degrees 47 minutes 17 seconds West 1,552.28 feet to a point on the boundary of said Biloxi Wildlife Management Area, also being the Northeast corner of said State Lease No. 17980 having Coordinates of X = 2,599,998.89 and Y = 461,857.44; thence East 10,745.35 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 **2,020 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.

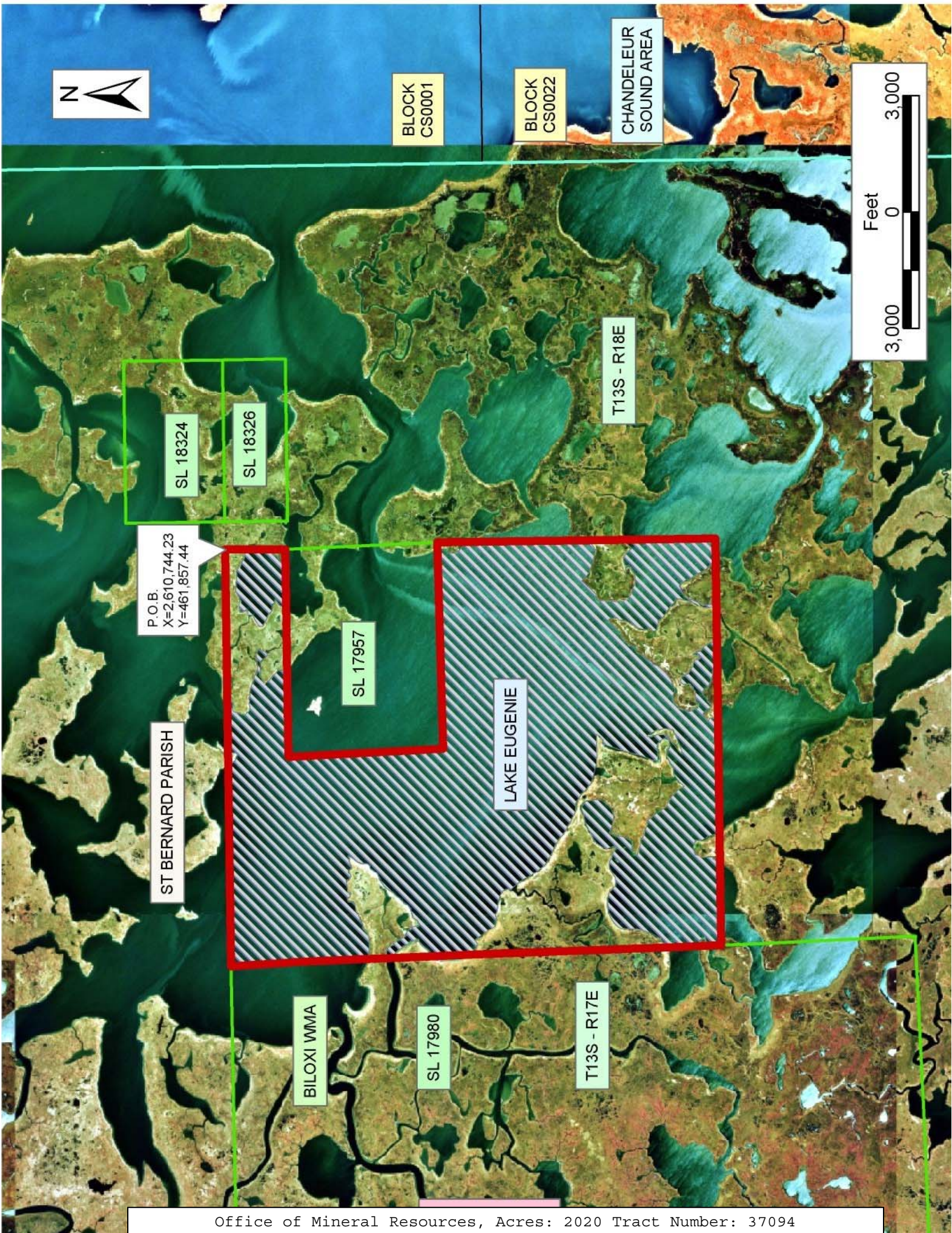
NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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 37095 - Portion of Block 22, 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 22, Chandeleur Sound Area having Coordinates of X = 2,635,350.00 and Y = 455,080.00; thence South 7,375.00 feet along the East line of said Block 22 to a point having Coordinates of X = 2,635,350.00 and Y = 447,705.00; thence West 14,750.00 feet to a point on the West line of said Block 22 having Coordinates of X = 2,620,600.00 and Y = 447,705.00; thence North 7,375.00 feet along the West line of said Block 22 to its Northwest corner having Coordinates of X = 2,620,600.00 and Y = 455,080.00; thence East 14,750.00 feet along the North line of said Block 22 to the point of beginning, containing approximately **1,663 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=455,080.00

ST BERNARD PARISH

BLOCK CS0001

BLOCK CS0022

T13S - R19E

T13S - R18E

CHANDELEUR SOUND AREA



**TRACT 37096 - 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 = 2,610,842.98 and Y = 435,157.00; thence North 14,061.00 feet to a point having Coordinates of X = 2,610,842.98 and Y = 449,218.00; thence East 9,757.02 feet to a point having Coordinates of X = 2,620,600.00 and Y = 449,218.00; thence South 14,061.00 feet to a point having Coordinates of X = 2,620,600.00 and Y = 435,157.00; thence West 9,757.02 feet to the point of beginning, containing approximately **1,033 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 37097 - Portion of Block 22, 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 22, Chandeleur Sound Area having Coordinates of X = 2,635,350.00 and Y = 440,330.00; thence West 14,750.00 feet along the South line of said Block 22 to its Southwest corner having Coordinates of X = 2,620,600.00 and Y = 440,330.00; thence North 7,375.00 feet along the West line of said Block 22 to a point having Coordinates of X = 2,620,600.00 and Y = 447,705.00; thence East 14,750.00 feet to a point on the East line of said Block 22 having Coordinates of X = 2,635,350.00 and Y = 447,705.00; thence South 7,375.00 feet along the East line of said Block 22 to the point of beginning, containing approximately **1,199 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%.

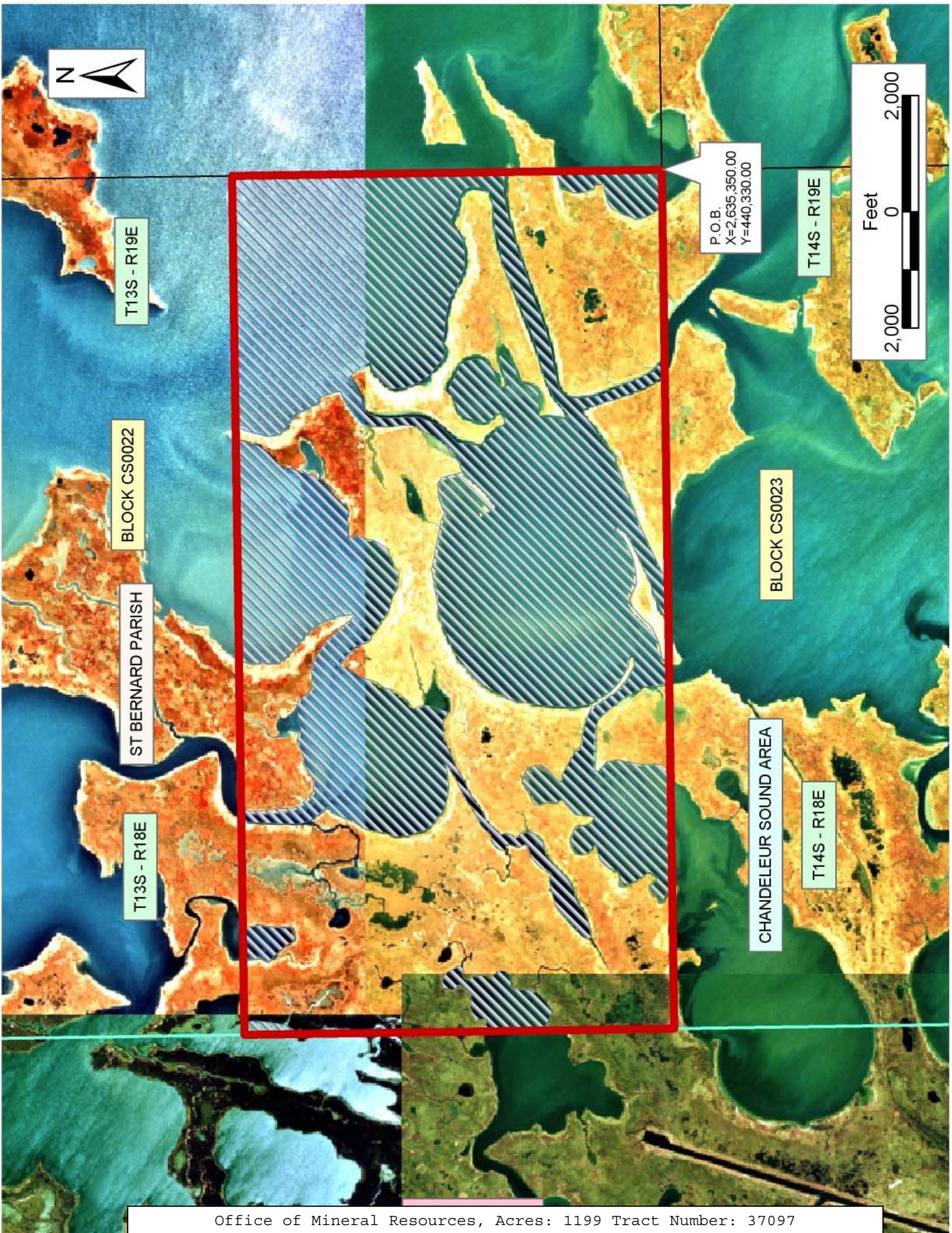
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing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



T13S - R19E

BLOCK CS0022

ST BERNARD PARISH

T13S - R18E

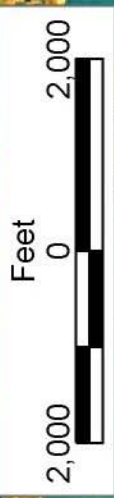
P.O.B.  
X=2,635,350.00  
Y=440,330.00

T14S - R19E

BLOCK CS0023

CHANDELEUR SOUND AREA

T14S - R18E



**TRACT 37098 - Portion of Block 23, 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 23, Chandeleur Sound Area having Coordinates of X = 2,635,350.00 and Y = 440,330.00; thence South 7,375.00 feet along the East line of said Block 23 to a point having Coordinates of X = 2,635,350.00 and Y = 432,955.00; thence West 7,234.53 feet to a point on the East line of State Lease No. 17960 having Coordinates of X = 2,628,115.47 and Y = 432,955.00; thence along the boundary of said State Lease No. 17960 the following courses: North 00 degrees 57 minutes 18 seconds West 830.50 feet, North 87 degrees 54 minutes 57 seconds West 751.47 feet, South 88 degrees 09 minutes 13 seconds West 5,135.49 feet and South 85 degrees 38 minutes 58 seconds West 1,622.52 feet to a point on the North line of said State Lease No. 17960, also being a point on the West line of said Block 23 having Coordinates of X = 2,620,600.00 and Y = 433,524.17; thence North 6,805.83 feet along the West line of said Block 23 to its Northwest corner having Coordinates of X = 2,620,600.00 and Y = 440,330.00; thence East 14,750.00 feet along the North line of said Block 23 to the point of beginning, containing approximately **1,605 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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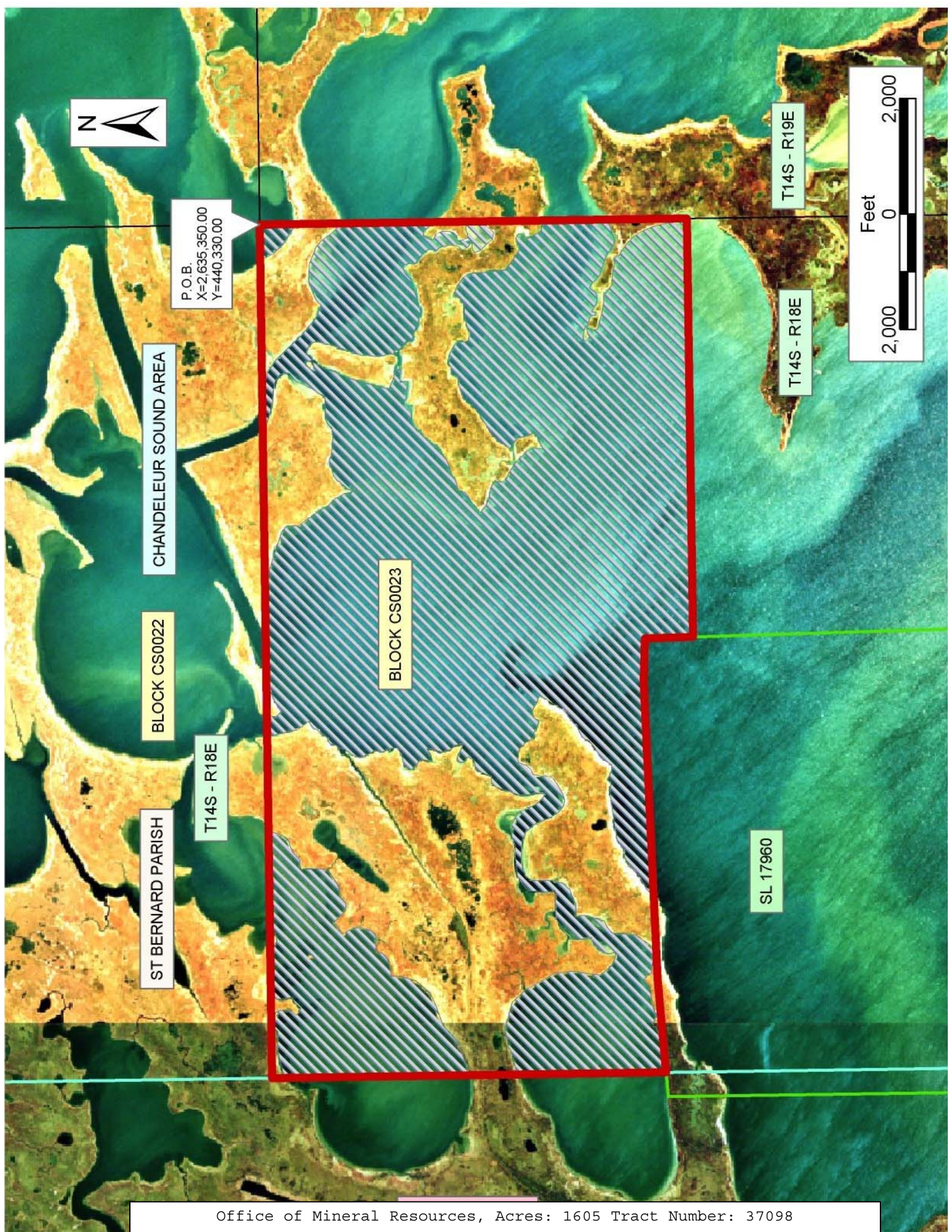
NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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



P.O.B.  
X=2,635,350.00  
Y=440,330.00

CHANDELEUR SOUND AREA

BLOCK CS0022

ST BERNARD PARISH

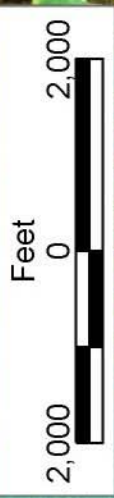
T14S - R18E

BLOCK CS0023

SL 17960

T14S - R18E

T14S - R19E



**TRACT 37099 - 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 = 2,610,842.98 and Y = 435,157.00; thence East 9,757.02 feet to a point having Coordinates of X = 2,620,600.00 and Y = 435,157.00; thence South 1,632.83 feet to a point on the North line of State Lease No. 17960 having Coordinates of X = 2,620,600.00 and Y = 433,524.17; thence along the boundary of said State Lease No. 17960 the following courses: South 85 degrees 38 minutes 58 seconds West 421.98 feet, South 00 degrees 00 minutes 06 seconds East 5,238.14 feet and South 84 degrees 52 minutes 15 seconds East 422.30 feet to a point on the South line of said State Lease No. 17960 having Coordinates of X = 2,620,600.00 and Y = 428,216.27; thence South 2,636.27 feet to a point having Coordinates of X = 2,620,600.00 and Y = 425,580.00; thence West 9,757.02 feet to a point having Coordinates of X = 2,610,842.98 and Y = 425,580.00; thence North 9,577.00 feet to the point of beginning, containing approximately **924 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.

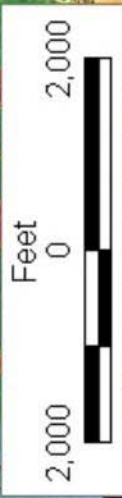
Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



BLOCK C S0023

SL 17960

BLOCK C S0044



ST BERNARD PARISH

T14S - R18E

CHRISTMAS CAMP LAKE

CHANDELEUR SOUND AREA

P.O.B.  
X=2,610,842.98  
Y=435,157.00

BLOCK C S0045

**TRACT 37100 - Portion of Block 23, 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 a point on the East line of Block 23, Chandeleur Sound Area having Coordinates of X = 2,635,350.00 and Y = 432,955.00; thence South 3,687.50 feet along the East line of said Block 23 to a point having Coordinates of X = 2,635,350.00 and Y = 429,267.50; thence West 4,800.00 feet to a point having Coordinates of X = 2,630,550.00 and Y = 429,267.50; thence South 3,687.50 feet to a point on the South line of said Block 23 having Coordinates of X = 2,630,550.00 and Y = 425,580.00; thence West 9,950.00 feet along the South line of said Block 23 to its Southwest corner having Coordinates of X = 2,620,600.00 and Y = 425,580.00; thence North 2,636.27 feet along the West line of said Block 23 to a point, also being a point on the South line of State Lease No. 17960 having Coordinates of X = 2,620,600.00 and Y = 428,216.27; thence along the boundary of said State Lease No. 17960 the following courses: South 84 degrees 52 minutes 15 seconds East 1,807.79 feet, North 88 degrees 39 minutes 49 seconds East 5,370.68 feet, South 89 degrees 59 minutes 55 seconds East 425.30 feet and North 00 degrees 57 minutes 18 seconds West 4,775.77 feet to a point on the East line of said State Lease No. 17960 having Coordinates of X = 2,628,115.47 and Y = 432,955.00; thence East 7,234.53 feet to the point of beginning, containing approximately **1,023 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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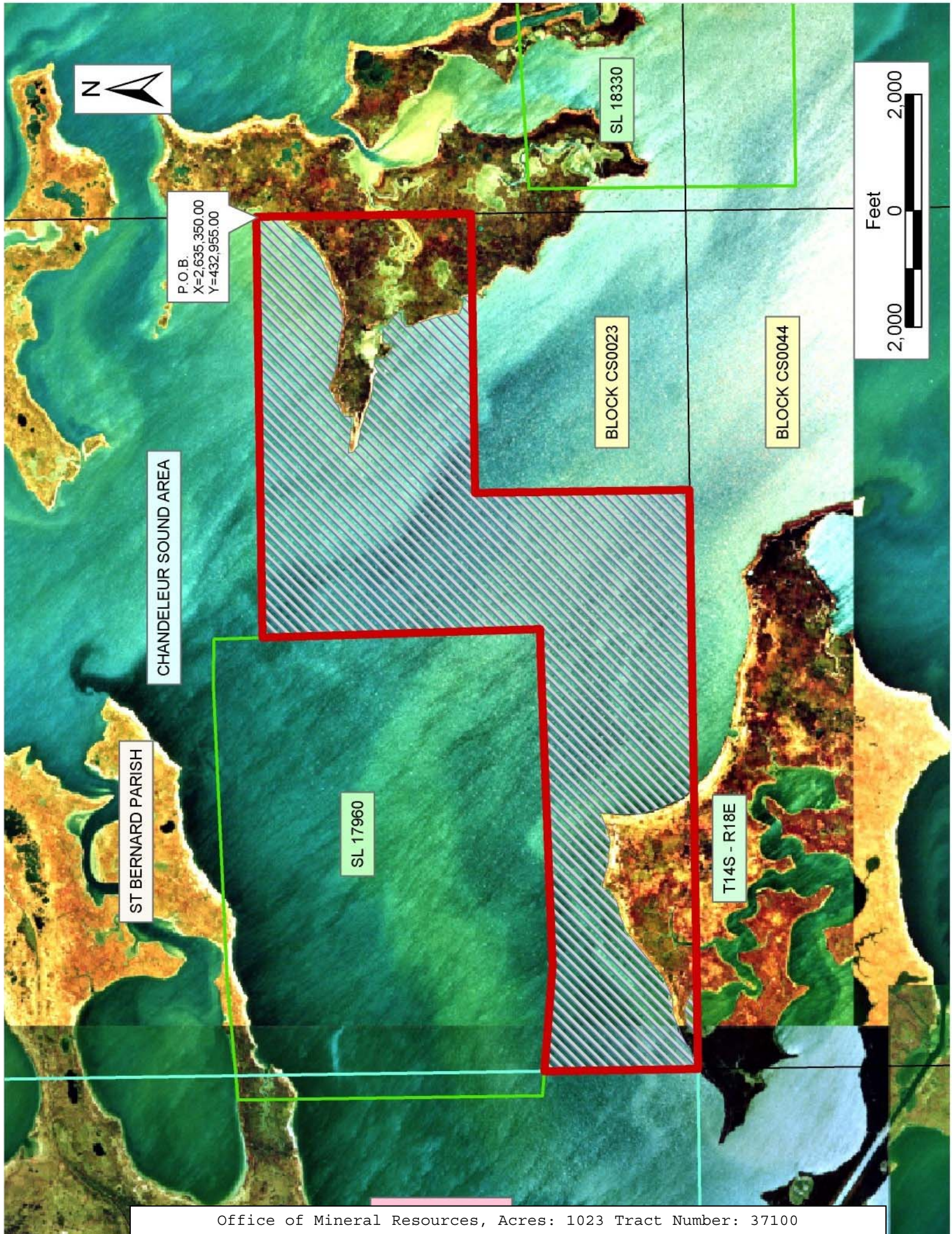
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NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for 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

ST BERNARD PARISH

SL 17960

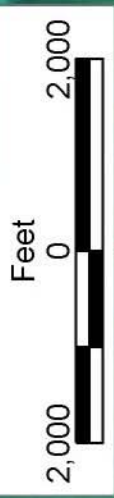
BLOCK CS0023

BLOCK CS0044

T14S - R18E

SL 18330

P.O.B.  
X=2,635,350.00  
Y=432,955.00



**TRACT 37101 - Portion of Blocks 23, 24, 43, and 44, 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 a point within Block 23, Chandeleur Sound Area, having Coordinates of X = 2,630,550.00 and Y = 429,267.50; thence East 4,800.00 feet to a point on the East line of said Block 23, also being a point on the West line of Block 24, Chandeleur Sound Area, having Coordinates of X = 2,635,350.00 and Y = 429,267.50; thence East 9,950.00 feet to a point having Coordinates of X = 2,645,300.00 and Y = 429,267.50; thence South 3,687.50 feet to a point on the South line of said Block 24, also being a point on the North line of Block 43, Chandeleur Sound Area, having Coordinates of X = 2,645,300.00 and Y = 425,580.00; thence South 3,687.50 feet to a point having Coordinates of X = 2,645,300.00 and Y = 421,892.50; thence West 9,950.00 feet to a point on the West line of said Block 43, also being a point on the East line of Block 44, Chandeleur Sound Area, having Coordinates of X = 2,635,350.00 and Y = 421,892.50; thence West 4,800.00 feet to a point having Coordinates of X = 2,630,550.00 and Y = 421,892.50; thence North 3,687.50 feet to a point on the North line of said Block 44, also being a point on the South line of said Block 23 having Coordinates of X = 2,630,550.00 and Y = 425,580.00; thence North 3,687.50 feet to the point of beginning, **LESS AND EXCEPT** State Lease No. 18329, which lies within the above described tract, and described as: beginning at a point having Coordinates of X = 2,641,210.89 and Y = 428,661.25, thence North 85 degrees 18 minutes 50 seconds East 3,648.76 feet, thence South 04 degrees 36 minutes 15 seconds East 5,229.93 feet, thence South 89 degrees 05 minutes 44 seconds West 4,040.94 feet and North 00 degrees 11 minutes 00 seconds West 4,978.8 feet to the point of beginning, also **LESS AND EXCEPT** State Lease No. 18330, which lies within the above described tract, and described as: beginning at a point having Coordinates of X = 2,635,764.40 and Y = 428,266.22, thence North 87 degrees 11 minutes 48 seconds East 4,104.08 feet, thence South 05 degrees 44 minutes 44 seconds East 4,811.31 feet, thence North 89 degrees 57 minutes 59 seconds West 4,594.74 feet, thence North 00 degrees 10 minutes 25 seconds East 4,583.74 feet to the point of beginning, containing approximately **1,446 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 CS0024

T14S - R19E

ST BERNARD PARISH

BLOCK CS0023

P.O.B.  
X=2,630,550.00  
Y=429,267.50

SL 18329

SL 18330

BLOCK CS0043

BLOCK CS0044

SL 17960



**TRACT 37102 - St. Martin and St. Mary Parishes, Louisiana**

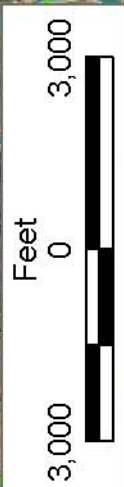
All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on February 9, 2005, situated in St. Martin and St. Mary Parishes, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,980,400.00 and Y = 413,800.00; thence North 7,800.00 feet to a point having Coordinates of X = 1,980,400.00 and Y = 421,600.00; thence East approximately 17,327 feet to a point on the Western boundary or a projection thereof of State Lease No. 711, as amended, having a Coordinate of Y = 421,600.00; thence Southerly approximately 7,800 feet along the Western boundary and/or a projection thereof of said State Lease No. 711 to a point having a Coordinate of Y = 413,800.00; thence West approximately 17,328 feet to the point of beginning, **LESS AND EXCEPT** that portion, if any, of State Lease No. 711 and the Attakapas Wildlife Management Area that may lie within the above described tract, containing approximately **2,422 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 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: Oakres Energy, Ltd.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



ATTAKAPAS WMA

T14S - R11E

SL 711

SL 1392

WILLOW COVE

ST MARTIN PARISH

T15S - R11E

ST MARY PARISH

GRAND LAKE

P.O.B.  
X=1,980,400.00  
Y=413,800.00

T14S - R10E



**TRACT 37103 - St. Martin and St. Mary 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. Martin and St. Mary Parishes, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,980,400.00 and Y = 413,800.00; thence East approximately 17,328 feet to a point on the Western boundary of State Lease No. 711, as amended, having a Coordinate of Y = 413,800.00; thence Southerly approximately 6,911 feet along the Western boundary of said State Lease No. 711 to its Southwest corner located on the Northern boundary of State Lease No. 1392, as amended; thence Northwesterly and Southerly along the Northern and Western boundaries of said State Lease No. 1392 to a point having a Coordinate of Y = 406,000.00; thence West approximately 15,315 feet to a point having Coordinates of X = 1,980,400.00 and Y = 406,000.00; thence North 7,800.00 feet to the point of beginning, **LESS AND EXCEPT** that portion, if any, of State Lease No. 711 and State Lease No. 1392, that may lie within the above described tract containing approximately **1,711 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 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: Oakres Energy, Ltd.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

