

# SPECIAL NOTICE

On Tuesday, January 2, 2007, the Office of Mineral Resources on behalf of the State Mineral Board advertised in the "Notice of Publication," for receipt of sealed bids on or before **12:00 o'clock p.m. on Tuesday, February 13, 2007**, for State Leases to be awarded upon **Tract Nos. 38851 through 38911**, inclusive at its **February 14, 2007** Lease Sale. Within said advertisement the parish heading was incorrectly advertised for **Tract Nos. 38860 and 38861, Iberia Parish**. By virtue of this public notice, **Tract Nos. 38860 and 38861** in Iberia Parish, Louisiana is hereby corrected as follows:

**TRACT 38860 - Portion of Blocks 10, 11, 6, and 7, Eugene Island Area, Revised, Iberia Parish, Louisiana**

The beds and bottoms of all water bodies belonging to the State of Louisiana located in Blocks 10, 11, 6, and 7, Eugene Island Area, Revised, together with any present lands formed by accretion to the shoreline or islands formed therein, located in Iberia Parish, Louisiana, owned by and not presently under mineral lease as of February 14, 2007, from the State of Louisiana, the geographical area of which is more fully described as follows: Beginning at a point located in Block 7, Eugene Island Area, Revised, also being a point on the South boundary of State Lease No. 19154 having Coordinates of X = 1,858,534.00 and Y = 271,184.30; thence along the boundary of said State Lease No. 19154 the following courses: North 87 degrees 06 minutes 16 seconds East 6,576.35 feet to a point having Coordinates of X = 1,865,101.95 and Y = 271,516.52 and North 37 degrees 42 minutes 03 seconds East 3,003.05 feet to a point having Coordinates of X = 1,866,938.43 and Y = 273,892.58; thence East 2,250.13 feet to the Northwest corner of State Lease No. 19155 having Coordinates of X = 1,869,188.56 and Y = 273,892.58; thence along the boundary of said State Lease No. 19155 the following courses: South 4,000.00 feet to a point having Coordinates of X = 1,869,188.56 and Y = 269,892.58 and East 3,880.54 feet to its Southeast corner, also being the Southwest corner of State Lease No. 18860 and a point on the North line of Block 11, Eugene Island Area, Revised, having Coordinates of X = 1,873,069.10 and Y = 269,892.58; thence South 6,039.29 feet to a point having Coordinates of X = 1,873,069.10 and Y = 263,853.29; thence West 6,972.51 feet to a point on the East boundary of State Lease No. 18640 having Coordinates of X = 1,866,096.59 and Y = 263,853.29; thence along the boundary of said State Lease No. 18640 the following courses: North 23 degrees 35 minutes 42 seconds East 1,758.75 feet to a point having Coordinates of X = 1,866,800.56 and Y = 265,465.00 and West 8,124.27 feet to its Northwest corner, also being a point on the Three Mile Line, as decreed by the Supreme Court of the United States, as determined by a Special Master appointed therein, in litigation styled *United States v. State of Louisiana et al No. 9 Original*, in 1975, having Coordinates of X =

1,858,676.29 and Y = 265,465.00; thence, along said Three Mile Line, on an arc to the right having a radius of 18,240.60 feet and center at X = 1,872,418 and Y = 277,460 to a point having Coordinates of X = 1,858,534 and Y = 265,630; thence North approximately 5,554 feet to the point of beginning; containing approximately **2,267.07 acres, LESS AND EXCEPT** that portion thereof, if any, lying seaward of the line three nautical miles from the coast line of Louisiana, as said three mile line has been decreed by the Supreme Court of the United States, as determined by a Special Master appointed therein, in litigation styled **United States v. State of Louisiana et al No. 9 Original**, in 1975, all as more particularly outlined on a plat in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on the Louisiana Coordinate System of 1927, (South Zone).

NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, or statutory, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Should the mineral lease awarded by the Louisiana State Mineral Board be subsequently modified, cancelled or abrogated due to the existence of conflicting leases, operating agreements, private claims or other future obligations or conditions which may affect all or any portion of the leased Tract, it shall not relieve the Lessee of the obligation to pay any bonus due thereon to the Louisiana State Mineral Board, nor shall the Louisiana State Mineral Board be obligated to refund any consideration paid by the Lessor prior to such modification, cancellation, or abrogation, including, but not limited to, bonuses, rentals and royalties.

**NOTE:** The Office of Mineral Resources will require a minimum bonus of \$300 per acre and a minimum royalty of 25%.

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

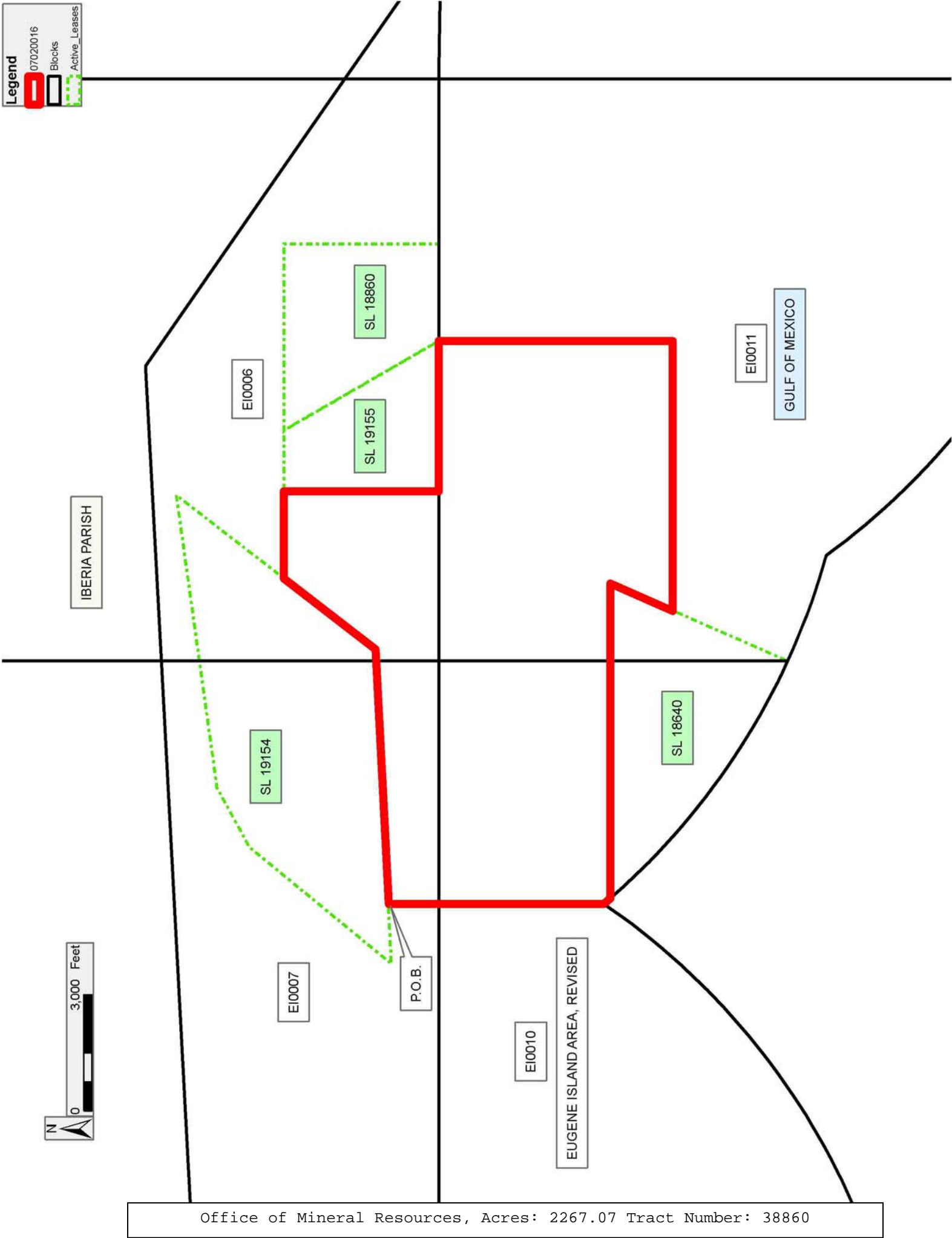
Bidder	Cash Payment	Price/ Acre	Rental	Oil	Gas	Other

Legend

07020016

Blocks

Active\_Leases



**TRACT 38861 - Portion of Blocks 8, and 9, Eugene Island Area, Revised, Iberia Parish, Louisiana**

The beds and bottoms of all water bodies belonging to the State of Louisiana located in Blocks 8, and 9, Eugene Island Area, Revised, together with any present lands formed by accretion to the shoreline or islands formed therein, located in Iberia Parish, Louisiana, owned by and not presently under mineral lease as of February 14, 2007, from the State of Louisiana, the geographical area of which is more fully described as follows: Beginning at a point on the West line of Block 8, Eugene Island Area, Revised, also being a point on the Louisiana Coastline, as decreed by the Supreme Court of the United States, as determined by a Special Master appointed therein, in litigation styled *United States v. State of Louisiana et al No. 9 Original*, in 1975, having Coordinates of X = 1,834,512.11 and Y = 270,501.22; thence along said Louisiana Coastline the following courses: Northeasterly along a straight line to a point having Coordinates of X = 1,835,344 and Y = 270,839 and Northeasterly along a straight line to the Northwest corner of State Lease No. 19152 having Coordinates of X = 1,837,620.69 and Y = 272,260.85; thence along the boundary of said State Lease No. 19152 the following courses: South 31 degrees 46 minutes 49 seconds East 4,039.24 feet to a point having Coordinates of X = 1,839,748.00 and Y = 268,827.19 and East 7,330.39 feet to a point having Coordinates of X = 1,847,078.39 and Y = 268,827.19; thence South 3,927.90 feet to a point having Coordinates of X = 1,847,078.39 and Y = 264,899.29; thence West 12,591.68 feet to a point on the West line of Block 9, Eugene Island Area, Revised, having Coordinates of X = 1,834,486.71 and Y = 264,899.29; thence North 00 degrees 15 minutes 35 seconds East 5,601.99 feet along the West line of said Block 9 and the West line of said Block 8 to the point of beginning; containing approximately **1,396.11 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone).

NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, or statutory, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Should the mineral lease awarded by the Louisiana State Mineral Board be subsequently modified, cancelled or abrogated due to the existence of conflicting leases, operating agreements, private claims or other future obligations or conditions which may affect all or any portion of the leased Tract, it shall not relieve the Lessee of the obligation to pay any bonus due thereon to the Louisiana State Mineral Board, nor shall the Louisiana State Mineral Board be obligated to refund any consideration paid by the Lessor prior to such modification, cancellation, or abrogation, including, but not limited to, bonuses, rentals and royalties.

NOTE: The Office of Mineral Resources will require a minimum bonus of \$300 per acre and a minimum royalty of 25%.

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

