

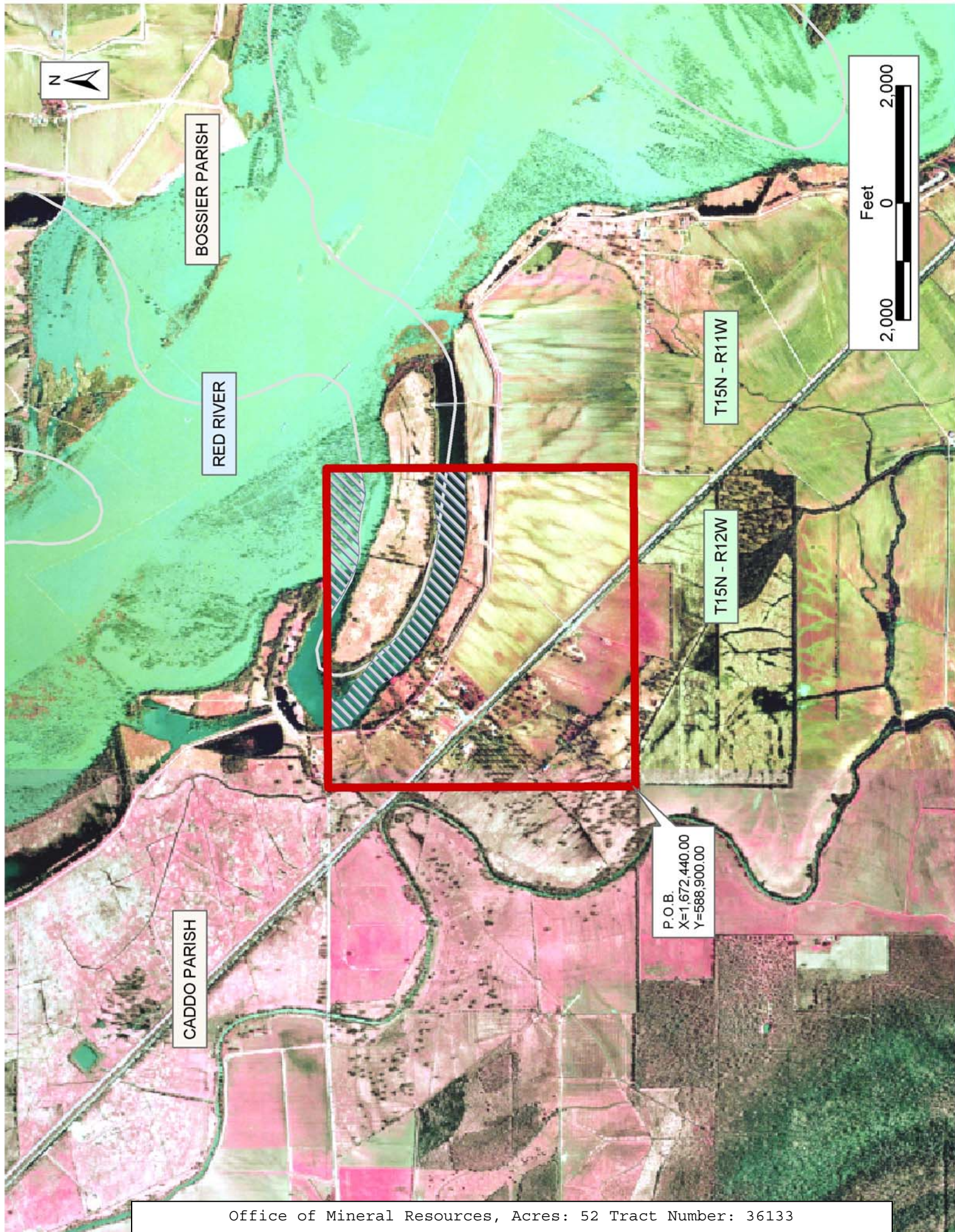
TRACT 36133 - Bossier and Caddo Parishes, Louisiana

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 March 10, 2004, situated in Bossier and Caddo Parishes, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,672,440.00 and Y = 588,900.00; thence North 5,240.00 feet to a point having Coordinates of X = 1,672,440.00 and Y = 594,140.00; thence East 5,450.00 feet to a point having Coordinates of X = 1,677,890.00 and Y = 594,140.00; thence South 5,240.00 feet to a point having Coordinates of X = 1,677,890.00 and Y = 588,900.00; thence West 5,450.00 feet to the point of beginning, containing approximately **52 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.

Applicant: Panterra Producing Company, LLC

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



BOSSIER PARISH

RED RIVER

CADDO PARISH

T15N - R11W

T15N - R12W



P.O.B.
X=1,672,440.00
Y=588,900.00

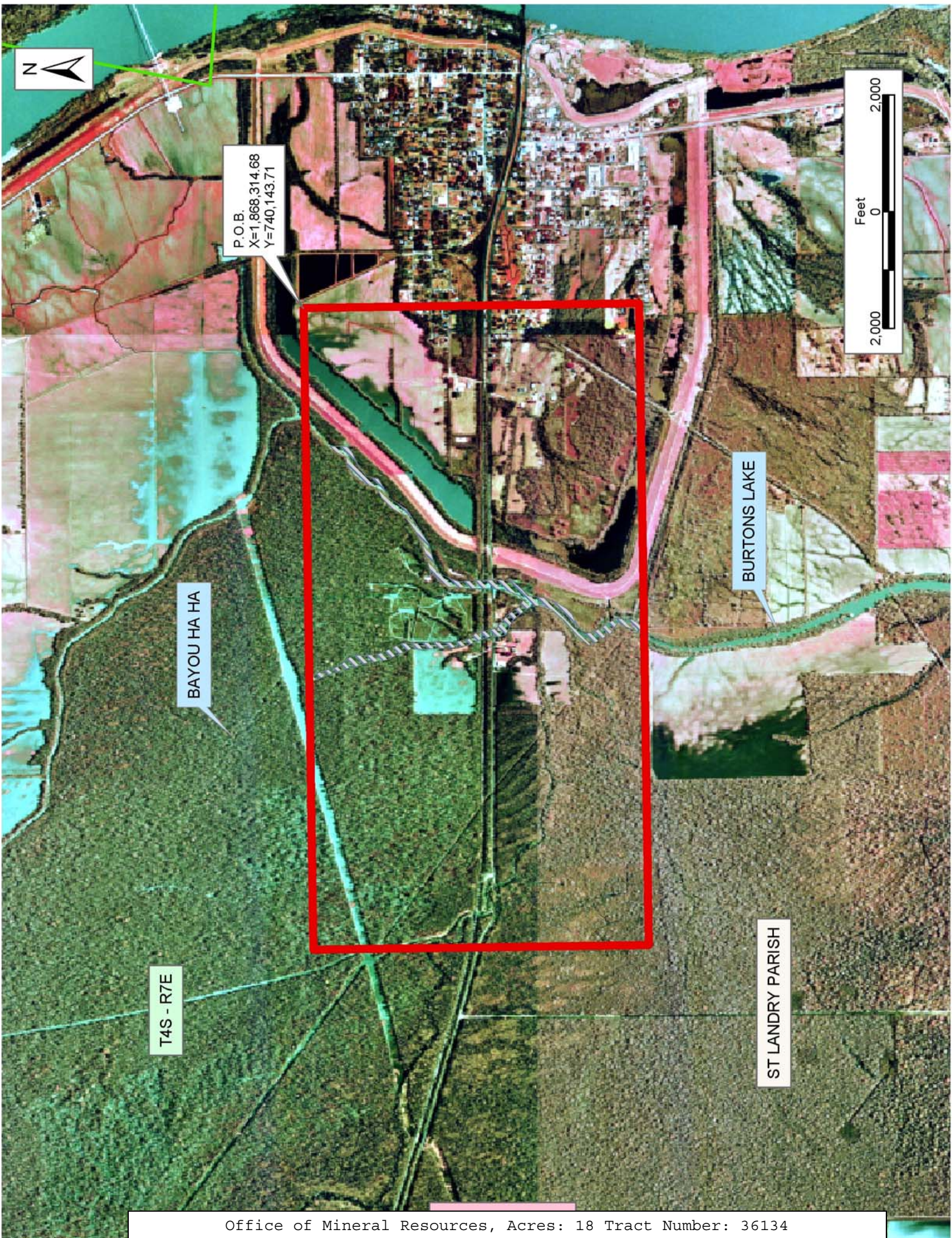
TRACT 36134 - St. Landry Parish, Louisiana

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 March 10, 2004, situated in St. Landry Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,868,314.68 and Y = 740,143.71; thence West 11,000.00 feet to a point having Coordinates of X = 1,857,314.68 and Y = 740,143.71; thence South 5,750.00 feet to a point having Coordinates of X = 1,857,314.68 and Y = 734,393.71; thence East 11,000.00 feet to a point having Coordinates of X = 1,868,314.68 and Y = 734,393.71; thence North 5,750.00 feet to the Point of Beginning, containing approximately **18 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.

Applicant: Cypress Energy Corporation

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



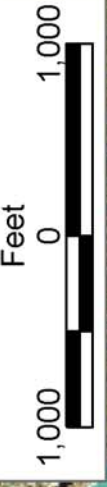
TRACT 36135 - Iberville Parish, Louisiana

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 March 10, 2004, situated in Iberville Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,942,200.00 and Y = 607,400.00; thence West 4,100.00 feet to a point having Coordinates of X = 1,938,100.00 and Y = 607,400.00; thence North 6,000.00 feet to a point having Coordinates of X = 1,938,100.00 and Y = 613,400.00; thence East 4,100.00 feet to a point having Coordinates of X = 1,942,200.00 and Y = 613,400.00; thence South 6,000.00 feet to the point of beginning, containing approximately **2 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.

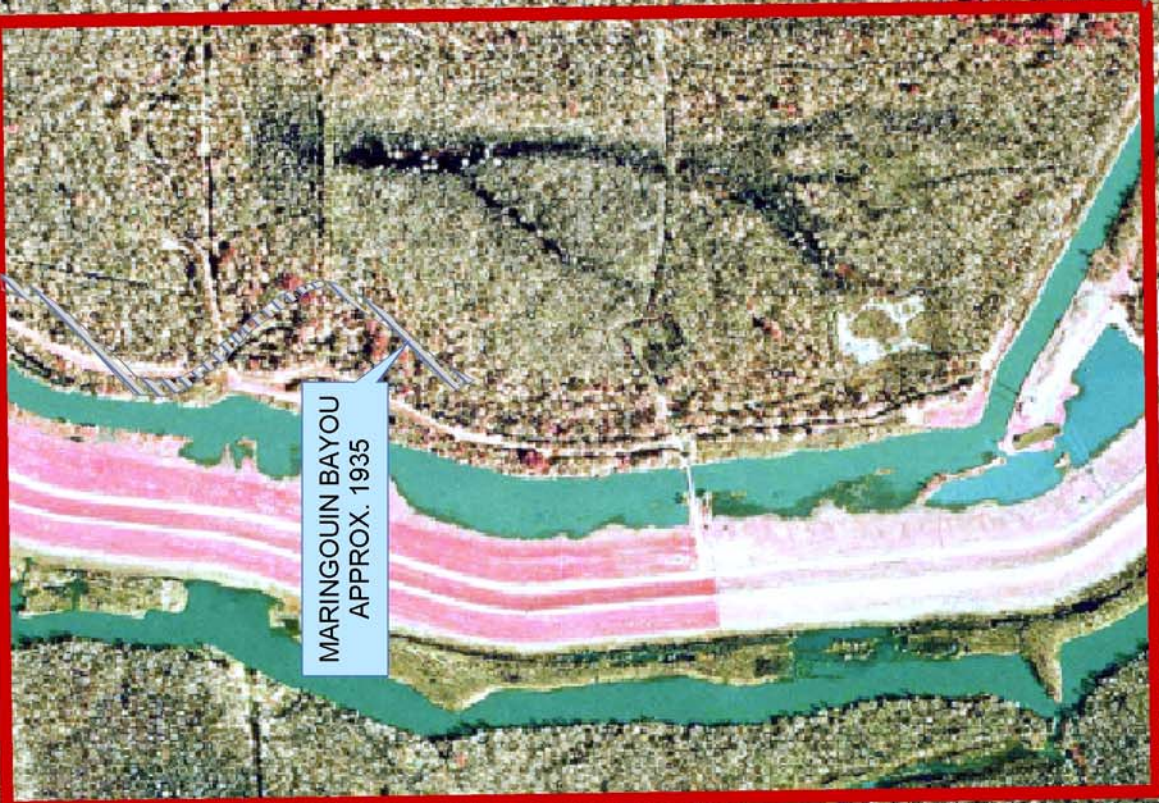
NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied,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

Applicant: A. S. Ruffin, Jr.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



P.O.B.
X=1,942,200.00
Y=607,400.00



MARINGOUIN BAYOU
APPROX. 1935

T8S - R9E

IBERVILLE PARISH

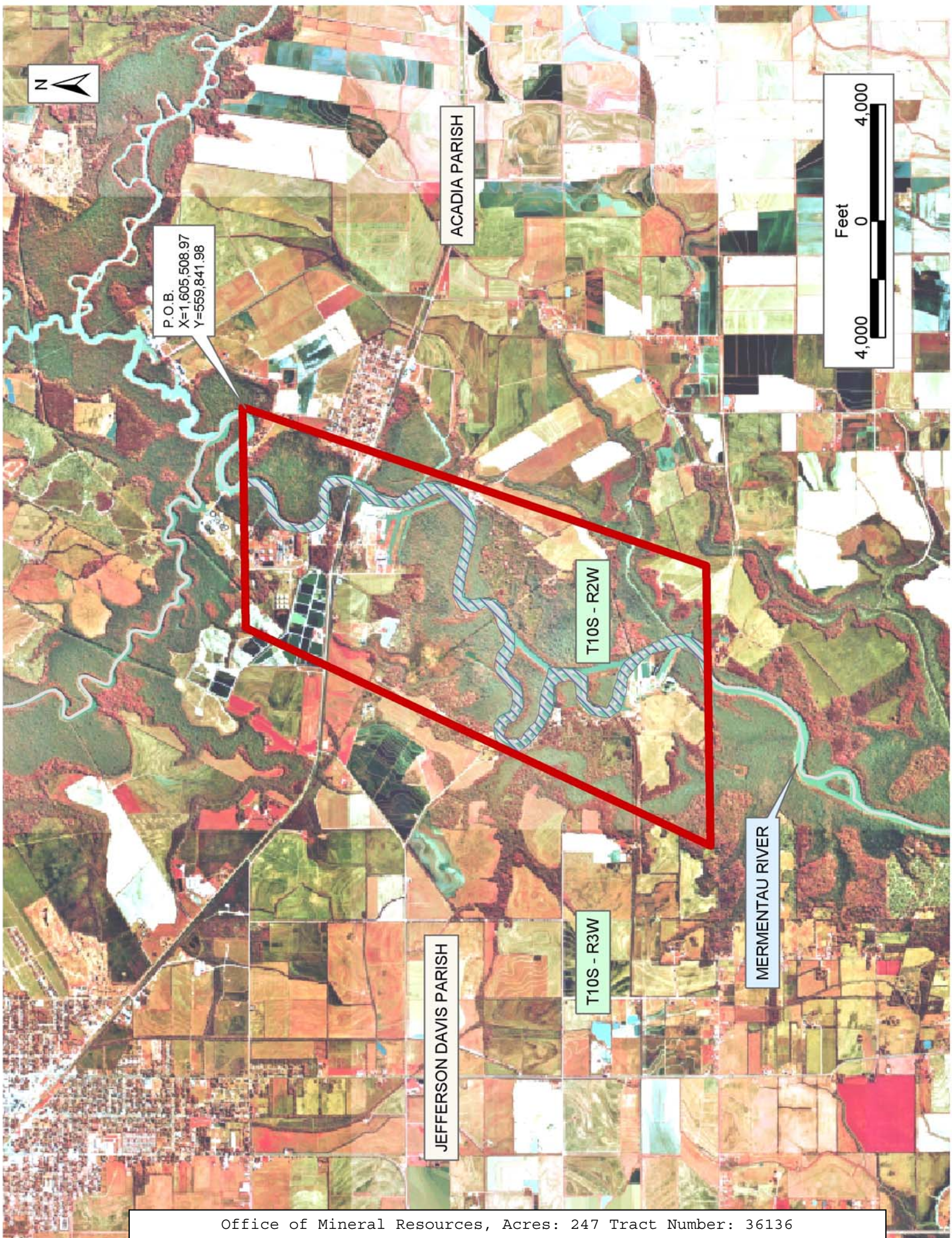
TRACT 36136 - Acadia and Jefferson Davis Parishes, Louisiana

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 March 10, 2004, situated in Acadia and Jefferson Davis Parishes, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,605,508.97 and Y = 559,841.98; thence South 19 degrees 41 minutes 23 seconds West 16,830.97 feet to a point having Coordinates of X = 1,599,838.17 and Y = 543,995.10; thence West 9,628.29 feet to a point having Coordinates of X = 1,590,209.88 and Y = 543,995.10; thence North 25 degrees 59 minutes 10 seconds East 17,629.16 feet to a point having Coordinates of X = 1,597,934.15 and Y = 559,841.97; thence East 7,574.81 feet to the point of beginning, containing approximately **247 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.

Applicant: Fleetwood Resources, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



TRACT 36137 - Portion of Block 21, North Lake Borgne Area, St. Bernard Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on March 10, 2004, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the Southeast corner of Block 21, North Lake Borgne Area, having Coordinates of X = 2,554,250.00 and Y = 520,958.70; thence West 18,000.00 feet to a point having Coordinates of X = 2,536,250.00 and Y = 520,958.70; thence North 6,050.00 feet to a point having Coordinates of X = 2,536,250.00 and Y = 527,008.70; thence East 18,000.00 feet to a point having Coordinates of X = 2,554,250.00 and Y = 527,008.70; thence South 6,050.00 feet to the point of beginning, containing approximately **2,500.00 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: Cypress Energy Corporation

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



BLOCK LB0003

BLOCK LB0004

BLOCK LB0005

NORTH LAKE BORGNE AREA

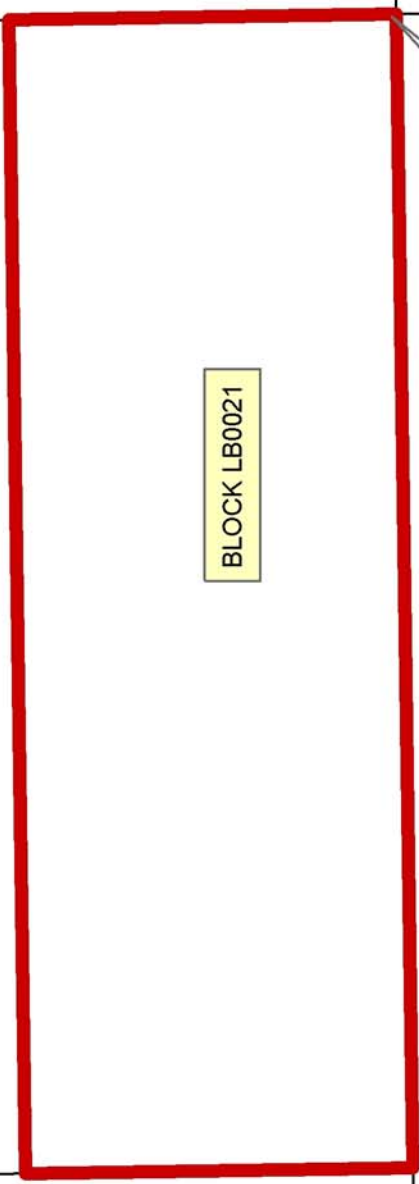
BLOCK LB0022

BLOCK LB0021

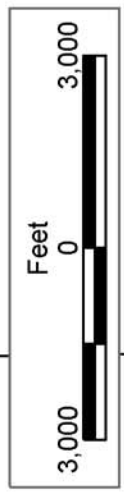
ST BERNARD PARISH

BLOCK LB0027

BLOCK LB0028



P.O.B.
X=2,554,250.00
Y=520,958.70



TRACT 36138 - Portion of Block 4, North Lake Borgne Area, St. Bernard Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on March 10, 2004, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the Southwest corner of Block 4, North Lake Borgne Area, having Coordinates of X = 2,554,250.00 and Y = 520,958.70; thence North 6,050.00 feet to a point having Coordinates of X = 2,554,250.00 and Y = 527,008.70; thence East 18,000.00 feet to a point having Coordinates of X = 2,572,250.00 and Y = 527,008.70; thence South 6,050.00 feet to a point having Coordinates of X = 2,572,250.00 and Y = 520,958.70; thence West 18,000.00 feet to the point of beginning, containing approximately **2,500.00 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

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

NOTE: The Office of Mineral Resources will require a minimum bonus of \$150 per acre and a minimum royalty of 21%.

NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing and maintaining approved coastal zone management and/or restoration projects. Utilization of any and all rights derived under this lease by the mineral lessee, its agents, successors or assigns, shall not interfere with nor hinder the reasonable surface use by the

Department of Natural Resources, its Offices or Commissions, as herein above reserved.

NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from the State of Louisiana may necessarily be conducted in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

Applicant: Cypress Energy Corporation

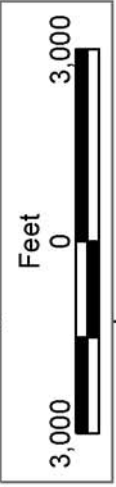
Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



BLOCK LB0008

BLOCK LB0007

NORTH LAKE BORGNE AREA



BLOCK LB0003

BLOCK LB0004

BLOCK LB0005

ST BERNARD PARISH

BLOCK LB0022

BLOCK LB0021

P.O.B.
X=2,554,250.00
Y=520,958.70

TR 04030024

TRACT 36139 - 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 March 10, 2004, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,536,250.00 and Y = 515,058.70; thence West 16,145.73 feet to a point having Coordinates of X = 2,520,104.27 and Y = 515,058.70; thence North 14 degrees 31 minutes 56 seconds East 6,095.00 feet to a point having Coordinates of X = 2,521,633.65 and Y = 520,958.70; thence East 14,616.35 feet to a point having Coordinates of X = 2,536,250.00 and Y = 520,958.70; thence South 5,900.00 feet to the point of beginning, **LESS AND EXCEPT**, that portion, if any, of Orleans Parish that may lie within the above described tract, containing approximately **1,878.00 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: Cypress Energy Corporation

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



BLOCK LB0021

BLOCK LB0028

S.L. 17656

NORTH LAKE BORGNE AREA

BLOCK LB0029

ORLEANS PARISH

ST BERNARD PARISH

P.O.B.
X=2,536,250.00
Y=515,058.70



TRACT 36140 - 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 March 10, 2004, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,554,250.00 and Y = 520,958.70; thence South 5,900.00 feet to a point having Coordinates of X = 2,554,250.00 and Y = 515,058.70; thence West 18,000.00 feet to a point having Coordinates of X = 2,536,250.00 and Y = 515,058.70; thence North 5,900.00 feet to a point having Coordinates of X = 2,536,250.00 and Y = 520,958.70; thence East 18,000.00 feet to the point of beginning, **LESS AND EXCEPT** all of State Lease No. 17657 more particularly described as follows: Beginning at a point having Coordinates of X = 2,545,622.57 and Y = 518,342.04; thence South 1,171.93 feet to a point having Coordinates of X = 2,545,622.57 and Y = 517,170.11; thence South 73 degrees 19 minutes 25 seconds West 2,811.27 feet to a point having Coordinates of X = 2,542,929.54 and Y = 516,363.37; thence North 82 degrees 48 minutes 34 seconds West 2,437.08 feet to a point having Coordinates of X = 2,540,511.63 and Y = 516,668.42; thence North 38 degrees 42 minutes 38 seconds East 3,194.88 feet to a point having Coordinates of X = 2,542,509.66 and Y = 519,161.44; thence South 75 degrees 15 minutes 10 seconds East 3,218.95 feet to the point of beginning, containing 208.44 acres; containing approximately **2,229.58 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: Cypress Energy Corporation

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



BLOCK LB0004

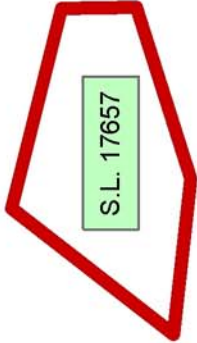
BLOCK LB0005

BLOCK LB0006



P.O.B.
X=2,554,250.00
Y=520,958.70

BLOCK LB0021



S.L. 17657

NORTH LAKE BORGNE AREA

BLOCK LB0028

ST BERNARD PARISH

TRACT 36141 - Portion of Block 5, North Lake Borgne Area, St. Bernard Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on March 10, 2004, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the Northwest corner of Block 5, North Lake Borgne Area, having Coordinates of X = 2,554,250.00 and Y = 520,958.70; thence East 18,000.00 feet to a point having Coordinates of X = 2,572,250.00 and Y = 520,958.70; thence South 5,900.00 feet to a point having Coordinates of X = 2,572,250.00 and Y = 515,058.70; thence West 18,000.00 feet to a point having Coordinates of X = 2,554,250.00 and Y = 515,058.70; thence North 5,900.00 feet to the point of beginning, containing approximately **2,438.02 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: Cypress Energy Corporation

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



NORTH LAKE BORGNE AREA

BLOCK LB0007

BLOCK LB0004

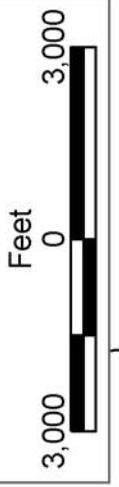
BLOCK LB0005

BLOCK LB0006

ST BERNARD PARISH

BLOCK LB0021

P.O.B.
X=2,554,250.00
Y=520,958.70



TRACT 36142 - 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 March 10, 2004, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,567,242.00 and Y = 502,958.70; thence East 5,008.00 feet to a point having Coordinates of X = 2,572,250.00 and Y = 502,958.70; thence North 15,010.20 feet to a point having Coordinates of X = 2,572,250.00 and Y = 517,968.90; thence East 6,474.39 feet to a point having Coordinates of X = 2,578,724.39 and Y = 517,968.90; thence South 15,743.90 feet to a point having Coordinates of X = 2,578,724.39 and Y = 502,225.00; thence West 11,482.39 feet to a point having Coordinates of X = 2,567,242.00 and Y = 502,225.00; thence North 733.70 feet to the point of beginning, containing approximately **2,424.39 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

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

NOTE: The Office of Mineral Resources will require a minimum bonus of \$150 per acre and a minimum royalty of 21%.

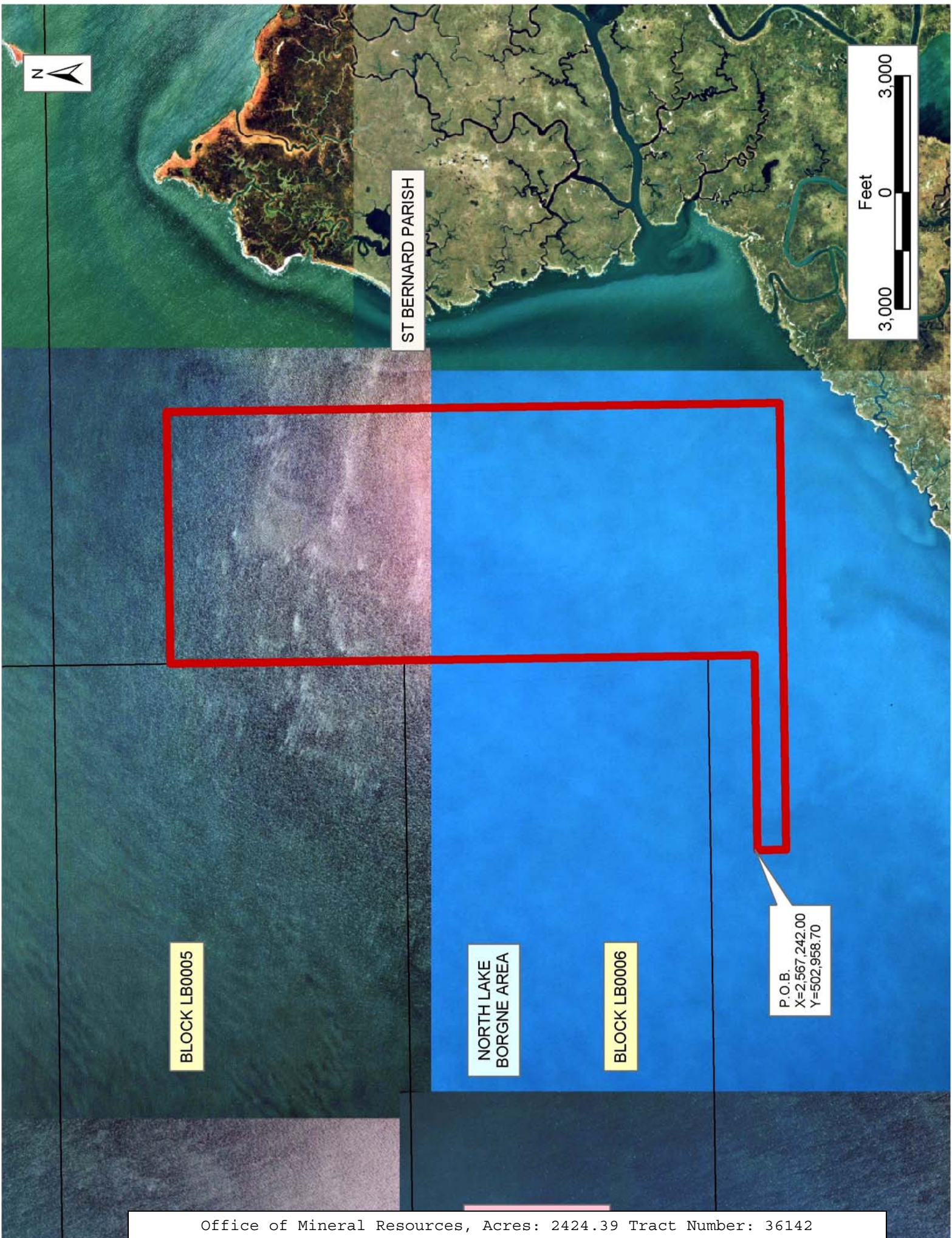
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing and maintaining approved coastal zone management and/or restoration projects. Utilization of any and all rights derived under this lease by the mineral lessee, its agents, successors or assigns, shall not interfere with nor hinder the reasonable surface use by the

Department of Natural Resources, its Offices or Commissions, as herein above reserved.

NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from the State of Louisiana may necessarily be conducted in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

Applicant: Cypress Energy Corporation

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



ST BERNARD PARISH



BLOCK LB0005

NORTH LAKE BORGNE AREA

BLOCK LB0006

P.O.B.
X=2,567,242.00
Y=502,958.70