

# SPECIAL NOTICE

On Monday, March 3, 2008, 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 noon on Tuesday, April 8, 2008**, for State Leases to be awarded upon **Tracts 39783 through 39788** at its **April 9, 2008** Lease Sale. Within the said tracts are additional language pertaining to tertiary recovery. By virtue of this public notice, **Tract Nos. 39783 through 39788, Terrebonne Parish** are hereby corrected as follows:

## **TRACT 39783 - Terrebonne Parish, Louisiana**

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description as to which title is vested 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 April 9, 2008, situated in Terrebonne Parish, Louisiana, and more particularly described as follows: Beginning at a point on the Southern boundary of a portion of State Lease No. 199, as amended, having Coordinates of X = 2,275,192.92 and Y = 187,016.22; thence along the boundary of said State Lease No. 199 the following courses: North 89 degrees 34 minutes 50 seconds East 6,118.19 feet to a corner having Coordinates of X = 2,281,310.94 and Y = 187,061.00; North 00 degrees 25 minutes 10 seconds West 2,955.66 feet to a corner having Coordinates of X = 2,281,289.30 and Y = 190,016.58; South 89 degrees 34 minutes 50 seconds West 2,600.00 feet to a corner having Coordinates of X = 2,278,689.37 and Y = 189,997.55; North 00 degrees 25 minutes 10 seconds West 600.00 feet to a corner having Coordinates 2,278,684.98 and Y = 190,597.53; South 89 degrees 34 minutes 50 seconds West 1,023.22 feet to a corner having Coordinates of X = 2,277,661.79 and Y = 190,590.04; North 00 degrees 25 minutes 10 seconds West 1,349.35 feet to a corner having Coordinates of X = 2,277,651.91 and Y = 191,939.35; North 89 degrees 34 minutes 50 seconds East 2,220.03 feet to a corner having Coordinates of X = 2,279,871.88 and Y = 191,955.60; North 00 degrees 25 minutes 10 seconds West 2,140.16 feet to a corner having Coordinates of X = 2,279,856.21 and Y = 194,095.70; North 89 degrees 34 minutes 50 seconds East 453.49 feet to a corner having Coordinates 2,280,309.69 and Y = 194,099.02; South 00 degrees 25 minutes 10 seconds East 1,111.20 feet to a corner having Coordinates of X = 2,280,317.82 and Y = 192,987.85 and North 89 degrees 34 minutes 50 seconds East 4,000.01 feet to a corner having Coordinates 2,284,317.72 and Y = 193,017.13; thence East 4,000.00 feet to a point having Coordinates of X = 2,288,317.72 and Y = 193,017.13; thence South 10,433.91 feet to a point having Coordinates of X = 2,288,317.72 and Y = 182,583.22; thence West 13,124.80 feet to a point having Coordinates of X = 2,275,192.92 and Y = 182,583.22; thence North 4,433.00 feet to the point of beginning, containing approximately **2,499.06 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 Office of Mineral Resources requires a minimum price per acre of \$225 and a minimum royalty of 21.5%. However, any prospective bidder(s) may include in the bid form as additional consideration the following, the lessor agrees that in the event this lease or any part of this lease is included in a unit established by the Commissioner of Conservation as a qualified tertiary recovery project the royalty due shall be reduced to 18.75% of the value, as hereinafter provided, of all oil, including condensate or other liquid mineral, produced and**

saved or utilized by methods considered ordinary production methods at the time of production until the project has reached payout from the total production from the reservoir qualified as a tertiary recovery project. Payout of the Tertiary Recovery Project shall be determined by Order of the Commissioner of Conservation pursuant to Rule 3 of the Rules of Procedure for Application of Tertiary Recovery Incentive. The lessee may seek a further reduction in royalty under RS 30:127.1, Tertiary Recovery Incentive, from the State Mineral Board for a qualifying tertiary recovery project.

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.

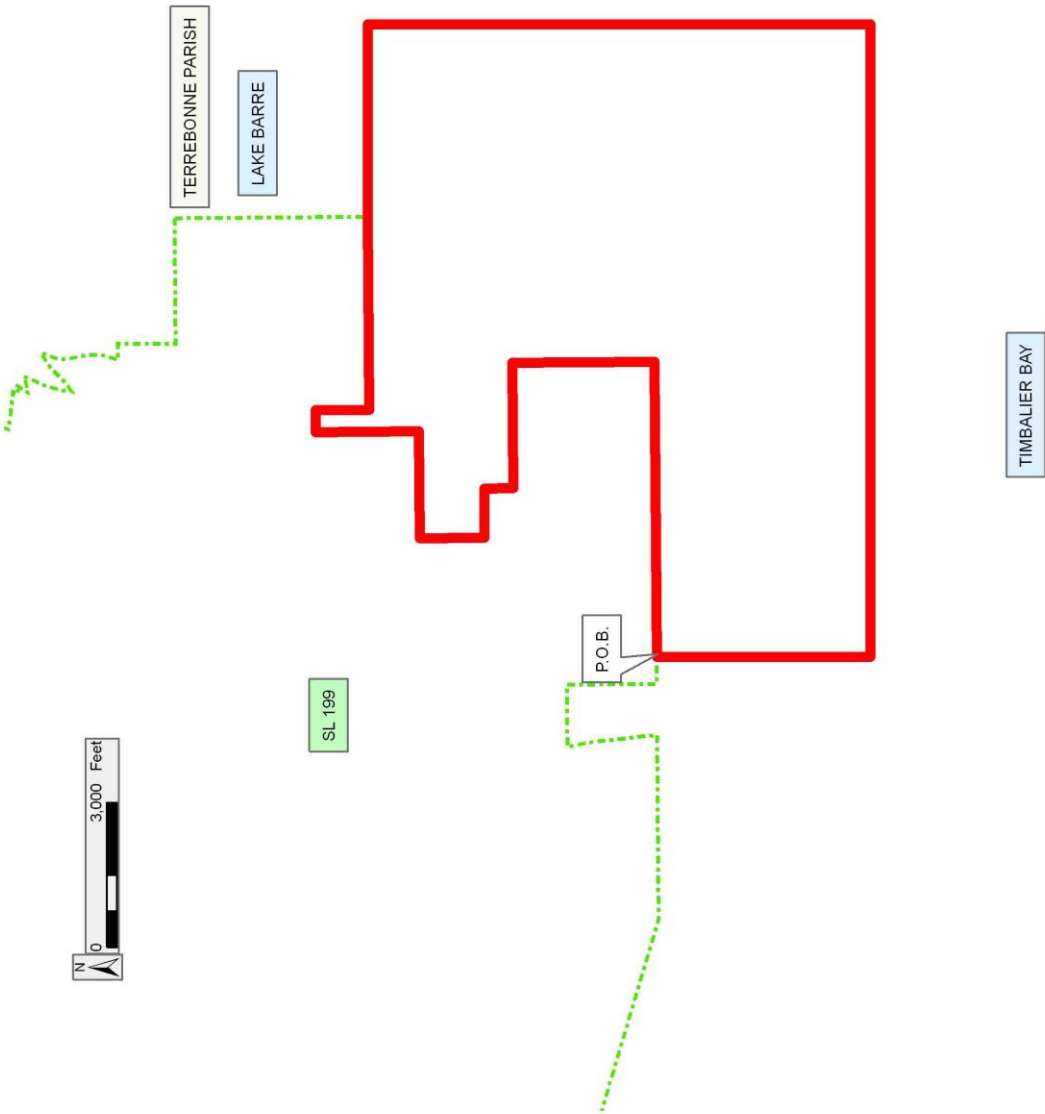
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing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

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: THEOPHILUS OIL, GAS & LAND SERVICES, LLC

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

**Legend**  
08040026  
Active Leases



Office of Mineral Resources, Acres: 2499.06 Tract Number: 39783

**TRACT 39784 - Portion of Blocks 115, and 116, South Timbalier Area, Revised, Terrebonne Parish, Louisiana**

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description as to which title is vested 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 April 9, 2008, situated in Terrebonne Parish, Louisiana, and more particularly described as follows: Beginning at a point within Block 115, South Timbalier Area, Revised, having Coordinates of X = 2,252,550.00 and Y = 190,779.33; thence East 7,249.00 feet to a point having Coordinates of X = 2,259,799.00 and Y = 190,779.33; thence South 8,083.85 feet to a point within Block 116, South Timbalier Area, Revised, having Coordinates of X = 2,259,799.00 and Y = 182,695.48; thence West 7,249.00 feet to a point within said Block 115 having Coordinates of X = 2,252,550.00 and Y = 182,695.48; thence North 8,083.85 feet to the point of beginning, containing approximately **1,345.27 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 Office of Mineral Resources requires a minimum price per acre of \$225 and a minimum royalty of 21.5%. However, any prospective bidder(s) may include in the bid form as additional consideration the following, the lessor agrees that in the event this lease or any part of this lease is included in a unit established by the Commissioner of Conservation as a qualified tertiary recovery project the royalty due shall be reduced to 18.75% of the value, as hereinafter provided, of all oil, including condensate or other liquid mineral, produced and saved or utilized by methods considered ordinary production methods at the time of production until the project has reached payout from the total production from the reservoir qualified as a tertiary recovery project. Payout of the Tertiary Recovery Project shall be determined by Order of the Commissioner of Conservation pursuant to Rule 3 of the Rules of Procedure for Application of Tertiary Recovery Incentive. The lessee may seek a further reduction in royalty under RS 30:127.1, Tertiary Recovery Incentive, from the State Mineral Board for a qualifying tertiary recovery project.**

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.

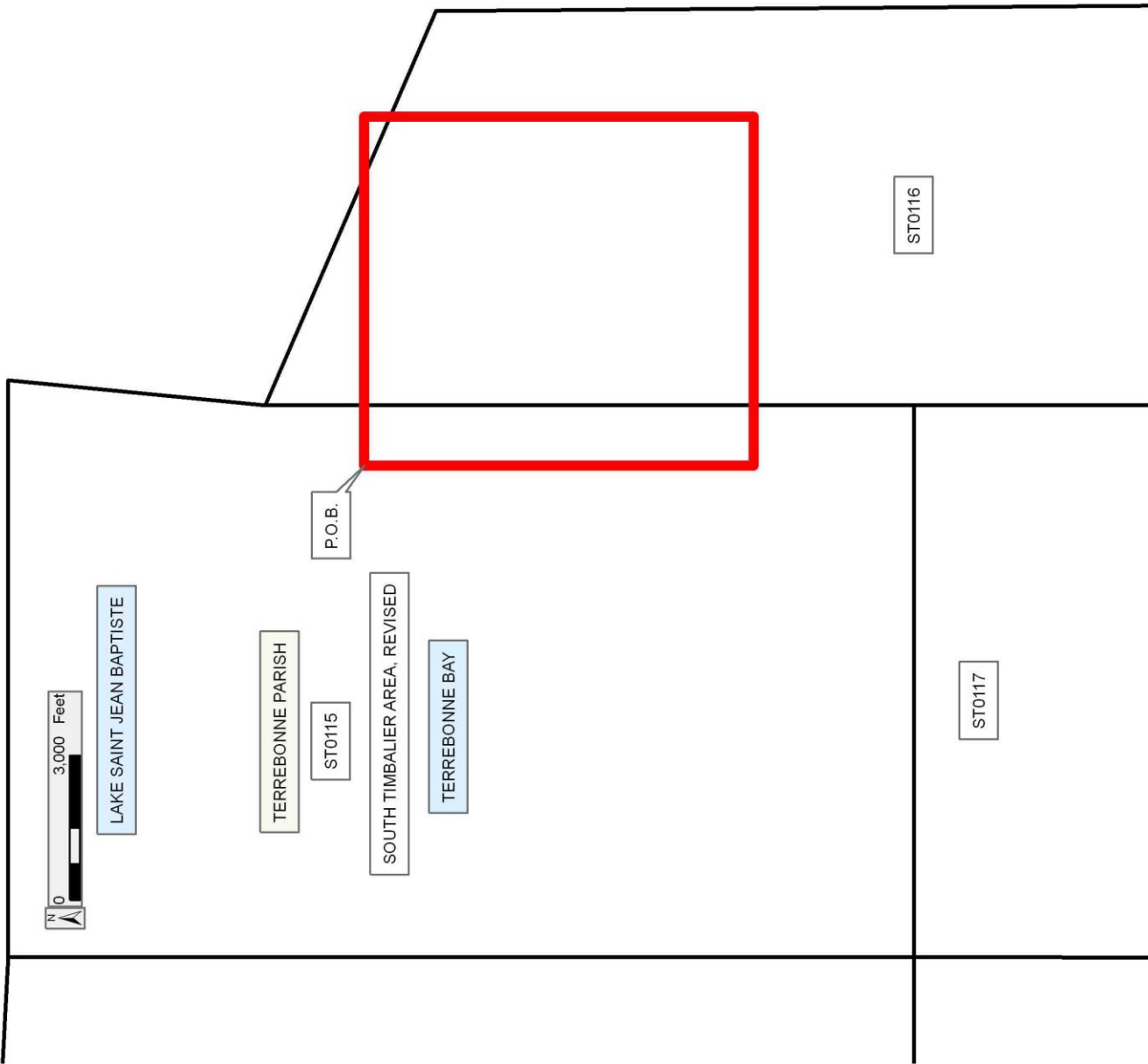
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing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

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: THEOPHILUS OIL, GAS & LAND SERVICES, LLC

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



**TRACT 39785 - Portion of Block 116, South Timbalier Area, Revised, Terrebonne Parish, Louisiana**

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description as to which title is vested 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 April 9, 2008, situated in Terrebonne Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,259,799.00 and Y = 190,779.33; thence East 774.01 feet to a point on a Southern boundary of State Lease No. 199, as amended, having Coordinates of X = 2,260,573.01 and Y = 190,779.33; thence along the boundary of said State Lease No. 199 the following courses: South 68 degrees 25 minutes 11 seconds East 800.84 feet to a point having Coordinates of X = 2,261,317.71 and Y = 190,484.78; South 71 degrees 40 minutes 08 seconds East 933.30 feet to a point having Coordinates of X = 2,262,203.65 and Y = 190,191.25; South 73 degrees 32 minutes 14 seconds East 516.49 feet to a point having Coordinates of X = 2,262,698.97 and Y = 190,044.88; South 75 degrees 55 minutes 09 seconds East 243.74 feet to a point having Coordinates of X = 2,262,935.39 and Y = 189,985.58 and South 20 degrees 46 minutes 09 seconds West 938.43 feet to a point on the boundary of the Northern portion of State Lease No. 301, as amended, having Coordinates of X = 2,262,602.62 and Y = 189,108.13; thence along the boundary of said State Lease No. 301 the following courses: South 20 degrees 46 minutes 08 seconds West 352.23 feet to a point having Coordinates of X = 2,262,477.72 and Y = 188,778.79; South 70 degrees 22 minutes 25 seconds East 642.99 feet to a point having Coordinates of X = 2,263,083.35 and Y = 188,562.82; South 21 degrees 39 minutes 45 seconds West 687.98 feet to a point having Coordinates of X = 2,262,829.39 and Y = 187,923.43; South 08 degrees 39 minutes 52 seconds West 2,640.01 feet to a point having Coordinates of X = 2,262,431.68 and Y = 185,313.55; South 07 degrees 34 minutes 55 seconds West 1,000.04 feet to a point having Coordinates of X = 2,262,299.73 and Y = 184,322.25; North 68 degrees 09 minutes 54 seconds East 686.60 feet to a point having Coordinates of X = 2,262,937.07 and Y = 184,577.62; North 63 degrees 59 minutes 51 seconds East 600.03 feet to a point having Coordinates of X = 2,263,476.36 and Y = 184,840.68; North 59 degrees 04 minutes 55 seconds East 999.96 feet to a point having Coordinates of X = 2,264,334.23 and Y = 185,354.47; North 64 degrees 14 minutes 43 seconds East 999.98 feet to a point having Coordinates of X = 2,265,234.87 and Y = 185,788.98; North 71 degrees 14 minutes 56 seconds East 599.95 feet to a point having Coordinates of X = 2,265,802.98 and Y = 185,981.84; North 76 degrees 45 minutes 09 seconds East 590.03 feet to a point having Coordinates of X = 2,266,377.31 and Y = 186,117.05; North 83 degrees 04 minutes 49 seconds East 500.01 feet to a point having Coordinates of X = 2,266,873.68 and Y = 186,177.29; South 89 degrees 25 minutes 00 seconds East 599.99 feet to a point having Coordinates of X = 2,267,473.64 and Y = 186,171.18; South 84 degrees 30 minutes 26 seconds East 599.99 feet to a point having Coordinates of X = 2,268,070.87 and Y = 186,113.75 and South 80 degrees 25 minutes 10 seconds East 547.25 feet to a point having Coordinates of X = 2,268,610.49 and Y = 186,022.67; thence South 10,744.47 feet to a point on the boundary of the Southern portion of said State Lease No. 301 having Coordinates of X = 2,268,610.49 and Y = 175,278.20; thence along the boundary of said State Lease No. 301 the following courses: North 71 degrees 10 minutes 13 seconds West 435.40 feet to a point having Coordinates of X = 2,268,198.39 and Y = 175,418.73; West 2,969.74 feet to a point having Coordinates of X = 2,265,228.65 and Y = 175,418.73; North 900.00 feet to a point having Coordinates of X = 2,265,228.65 and Y = 176,318.73 and West 3,150.00 feet to a corner, also being a point on the boundary of State Lease No. 1247, as amended, having Coordinates of X = 2,262,078.65 and Y = 176,318.73; thence along

the boundary of said State Lease No. 1247 the following courses: West 470.61 feet to a point within Block 116, South Timbalier Area, Revised, having Coordinates of X = 2,261,608.04 and Y = 176,318.73; South 1,223.25 feet to a point having Coordinates of X = 2,261,608.04 and Y = 175,095.48 and West 1,809.04 feet to a point having Coordinates of X = 2,259,799.00 and Y = 175,095.48; thence North 15,683.85 feet to the point of beginning, containing approximately **2,327.86 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 Office of Mineral Resources requires a minimum price per acre of \$225 and a minimum royalty of 21.5%. However, any prospective bidder(s) may include in the bid form as additional consideration the following, the lessor agrees that in the event this lease or any part of this lease is included in a unit established by the Commissioner of Conservation as a qualified tertiary recovery project the royalty due shall be reduced to 18.75% of the value, as hereinafter provided, of all oil, including condensate or other liquid mineral, produced and saved or utilized by methods considered ordinary production methods at the time of production until the project has reached payout from the total production from the reservoir qualified as a tertiary recovery project. Payout of the Tertiary Recovery Project shall be determined by Order of the Commissioner of Conservation pursuant to Rule 3 of the Rules of Procedure for Application of Tertiary Recovery Incentive. The lessee may seek a further reduction in royalty under RS 30:127.1, Tertiary Recovery Incentive, from the State Mineral Board for a qualifying tertiary recovery project.**

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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



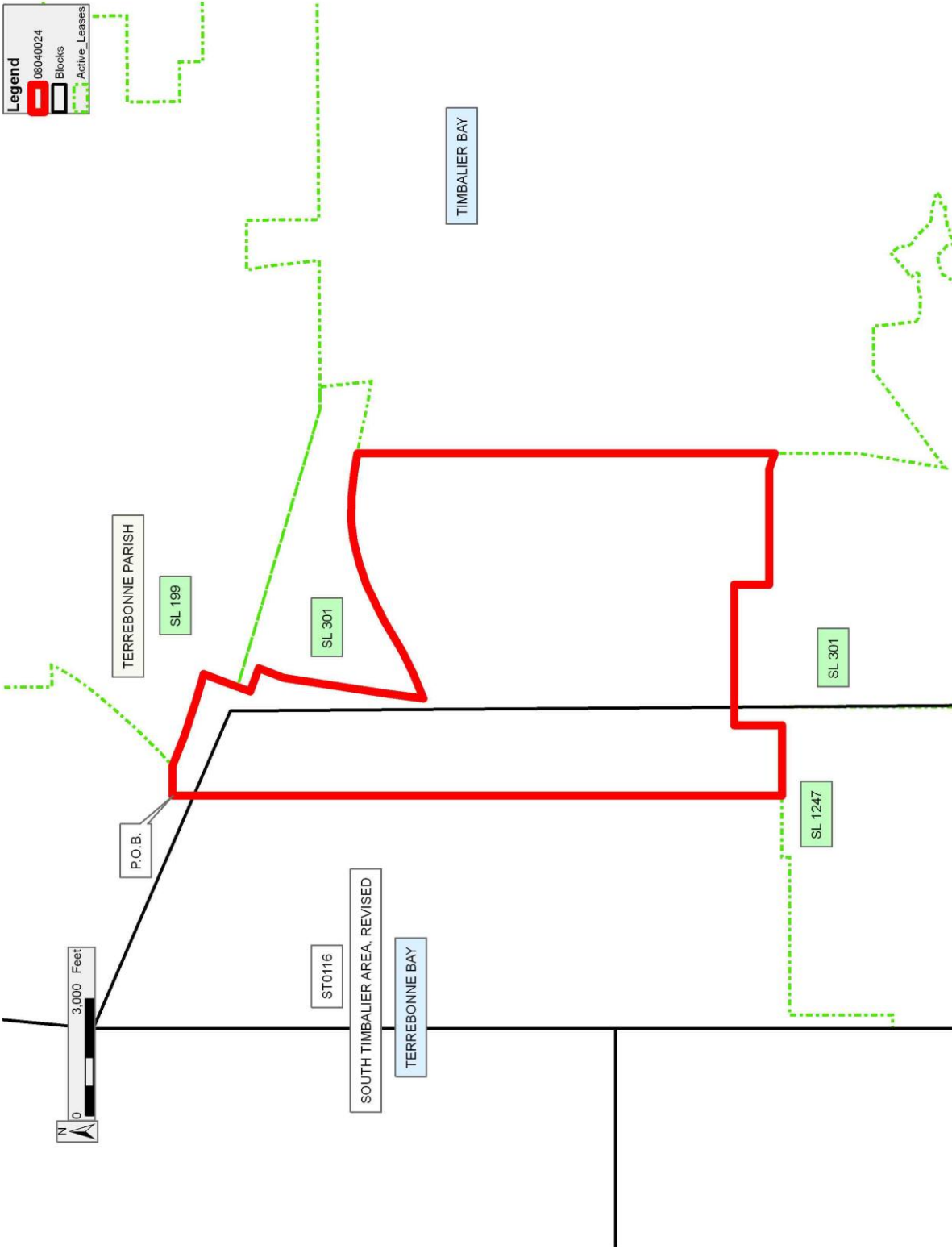
in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

Applicant: THEOPHILUS OIL, GAS & LAND SERVICES, LLC

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

**Legend**

- 08040024
- Blocks
- Active\_Leases



Office of Mineral Resources, Acres: 2327.86 Tract Number: 39785

**TRACT 39786 - Terrebonne Parish, Louisiana**

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description as to which title is vested 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 April 9, 2008, situated in Terrebonne Parish, Louisiana, and more particularly described as follows: Beginning at a point on the Southern boundary of a Northern portion of State Lease No. 301, as amended, having Coordinates of X = 2,268,610.49 and Y = 186,022.67; thence along the boundary of said State Lease No. 301 the following courses: South 80 degrees 25 minutes 10 seconds East 302.76 feet to a corner having Coordinates of X = 2,268,909.03 and Y = 185,972.28; South 77 degrees 50 minutes 20 seconds East 1,100.00 feet to a corner having Coordinates of X = 2,269,984.35 and Y = 185,740.55 and South 81 degrees 50 minutes 16 seconds East 483.68 feet to its Southeast corner, also being the Southwest corner of State Lease No. 18795 having Coordinates of X = 2,270,463.13 and Y = 185,671.88; thence along the boundary of said State Lease No. 18795 the following courses: South 81 degrees 50 minutes 13 seconds East 526.23 feet to a corner having Coordinates of X = 2,270,984.03 and Y = 185,597.16; South 84 degrees 25 minutes 15 seconds East 999.98 feet to a corner having Coordinates of X = 2,271,979.27 and Y = 185,499.94; South 87 degrees 34 minutes 57 seconds East 600.04 feet to a corner having Coordinates of X = 2,272,578.78 and Y = 185,474.63; North 09 degrees 05 minutes 16 seconds West 1,468.97 feet to a corner having Coordinates of X = 2,272,346.76 and Y = 186,925.16; South 87 degrees 00 minutes 30 seconds East 1,247.01 feet to a corner having Coordinates of X = 2,273,592.07 and Y = 186,860.08 and North 06 degrees 12 minutes 20 seconds West 145.15 feet to its Northeast corner, also being a corner on the Southern boundary of State Lease No. 199, as amended, having Coordinates of X = 2,273,576.38 and Y = 187,004.38; thence along the boundary of said State Lease No. 199 the following courses: North 06 degrees 12 minutes 15 seconds West 1,392.69 feet to a corner having Coordinates of X = 2,273,425.87 and Y = 188,388.91; North 11 degrees 26 minutes 05 seconds West 488.47 feet to a corner having Coordinates of X = 2,273,329.03 and Y = 188,867.68; North 89 degrees 34 minutes 50 seconds East 1,285.27 feet to a corner having Coordinates of X = 2,274,614.27 and Y = 188,877.09; South 00 degrees 25 minutes 11 seconds East 1,865.06 feet to a corner having Coordinates of X = 2,274,627.93 and Y = 187,012.08 and North 89 degrees 34 minutes 50 seconds East 565.00 feet to a point having Coordinates of X = 2,275,192.92 and Y = 187,016.22; thence South 11,943.92 feet to a point on the North boundary of a portion of State Lease No. 188, as amended, having Coordinates of X = 2,275,192.92 and Y = 175,072.30; thence along the boundary of said State Lease No. 188 the following courses: South 89 degrees 35 minutes 00 seconds West 915.33 feet to a corner having Coordinates of X = 2,274,277.61 and Y = 175,065.64; South 2,079.28 feet to a corner having Coordinates of X = 2,274,277.61 and Y = 172,986.36; South 45 degrees 00 minutes 00 seconds West 360.00 feet to a corner having Coordinates of X = 2,274,023.05 and Y = 172,731.80 and West 2,140.40 feet to its Westernmost Northwest corner, also being a Northeast corner of a Southern portion of said State Lease No. 301 having Coordinates of X = 2,271,882.65 and Y = 172,731.80; thence along the boundary of said State Lease No. 301 the following courses: West 1,159.60 feet to a corner having Coordinates of X = 2,270,723.05 and Y = 172,731.80; South 53 degrees 30 minutes 00 seconds West 3,089.99 feet to a corner having Coordinates of X = 2,268,239.14 and Y = 170,893.80; North 09 degrees 30 minutes 00 seconds East 2,250.00 feet to a corner having Coordinates of X = 2,268,610.49 and Y = 173,112.94 and North 2,165.26 feet to a corner having Coordinates of X = 2,268,610.49 and Y = 175,278.20; thence North 10,744.47 feet to the point of beginning, containing approximately **2,083.71 acres**, all as more particularly

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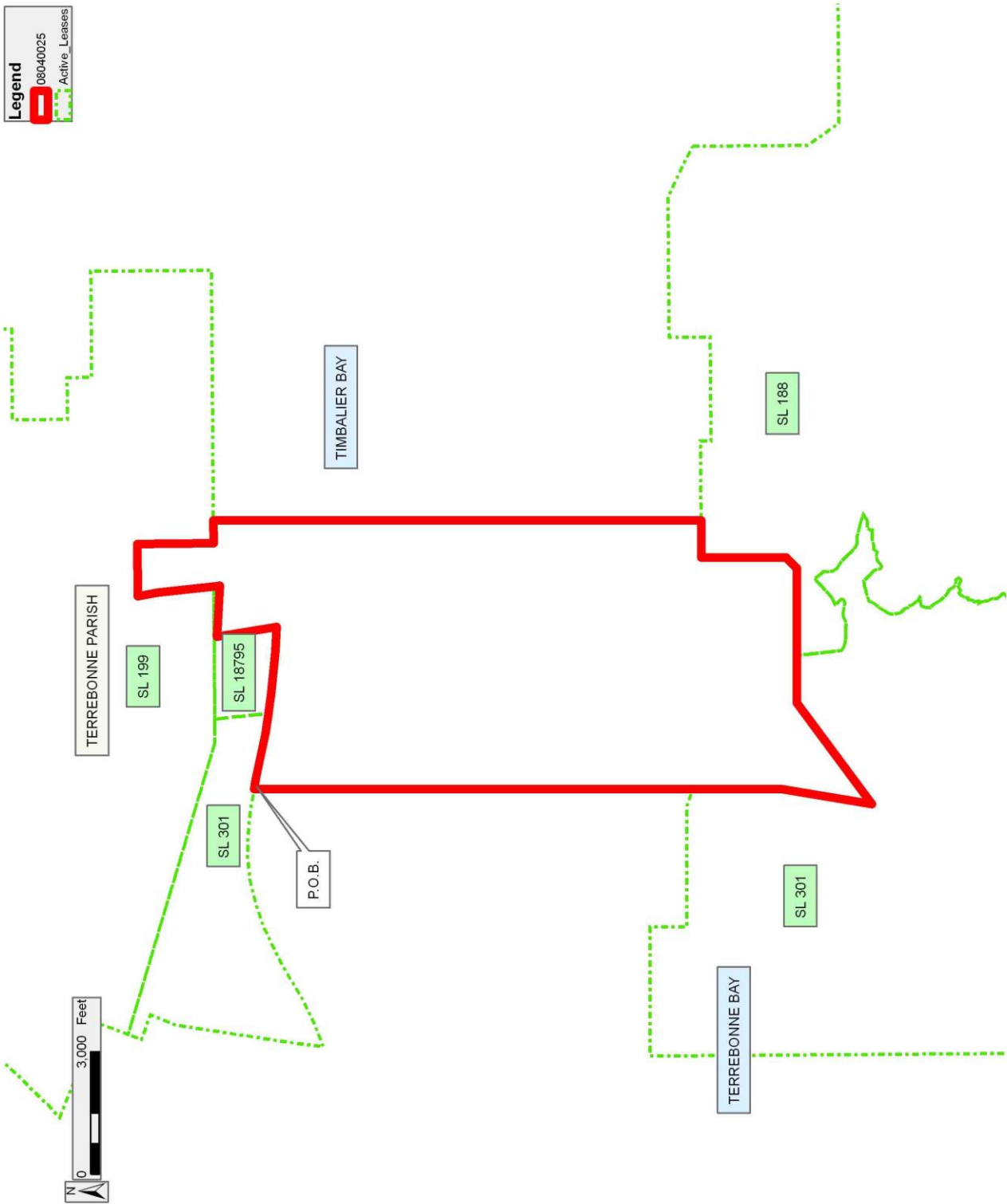
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Applicant: THEOPHILUS OIL, GAS & LAND SERVICES, LLC

Bidder	Cash Payment	Price/ Acre	Rental	Oil	Gas	Other

**Legend**  
 08040025  
 Active\_Leases



**TRACT 39787 - Terrebonne Parish, Louisiana**

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description as to which title is vested 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 April 9, 2008, situated in Terrebonne Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,275,192.92 and Y = 182,583.22; thence East 13,124.80 feet to a point having Coordinates of X = 2,288,317.72 and Y = 182,583.22; thence South 10,863.52 feet to a point having Coordinates of X = 2,288,317.72 and Y = 171,719.70; thence West 92.69 feet to a Northeast corner of a portion of State Lease No. 188, as amended, having Coordinates of X = 2,288,225.03 and Y = 171,719.70; thence along the boundary of said State Lease No. 188 the following courses: South 89 degrees 35 minutes 00 seconds West 3,303.00 feet to a corner having Coordinates of X = 2,284,922.11 and Y = 171,695.70; North 35 degrees 24 minutes 58 seconds West 950.00 feet to a corner having Coordinates of X = 2,284,371.58 and Y = 172,469.91; North 00 degrees 25 minutes 00 seconds West 2,811.75 feet to a corner having Coordinates of X = 2,284,351.14 and Y = 175,281.59; Northwesterly along an arc to the left having a radius of 15,840.00 feet and a center having Coordinates of X = 2,276,860.59 and Y = 161,324.61 to a corner having Coordinates of X = 2,283,109.64 and Y = 175,879.85; South 89 degrees 35 minutes 00 seconds West 3,437.64 feet to a corner having Coordinates of X = 2,279,672.09 and Y = 175,854.87; South 00 degrees 25 minutes 00 seconds East 1,006.32 feet to a corner having Coordinates of X = 2,279,679.41 and Y = 174,848.58; South 89 degrees 35 minutes 00 seconds West 2,550.00 feet to a corner having Coordinates of X = 2,277,129.47 and Y = 174,830.04; North 00 degrees 25 minutes 00 seconds West 256.33 feet to a corner having Coordinates of X = 2,277,127.61 and Y = 175,086.36 and South 89 degrees 35 minutes 00 seconds West 1,934.75 feet to a point having Coordinates of X = 2,275,192.92 and Y = 175,072.30; thence North 7,510.92 feet to the point of beginning, containing approximately **2,499.50 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 Office of Mineral Resources requires a minimum price per acre of \$225 and a minimum royalty of 21.5%. However, any prospective bidder(s) may include in the bid form as additional consideration the following, the lessor agrees that in the event this lease or any part of this lease is included in a unit established by the Commissioner of Conservation as a qualified tertiary recovery project the royalty due shall be reduced to 18.75% of the value, as hereinafter provided, of all oil, including condensate or other liquid mineral, produced and saved or utilized by methods considered ordinary production methods at the time of production until the project has reached payout from the total production from the reservoir qualified as a tertiary recovery project. Payout of the Tertiary Recovery Project shall be determined by Order of the Commissioner of Conservation pursuant to Rule 3 of the Rules of Procedure for Application of Tertiary Recovery Incentive. The lessee may seek a further reduction in royalty under RS 30:127.1, Tertiary Recovery Incentive, from the State Mineral Board for a qualifying tertiary recovery project.

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.

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: THEOPHILUS OIL, GAS & LAND SERVICES, LLC

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



**Legend**  
08040027  
Active\_Leases

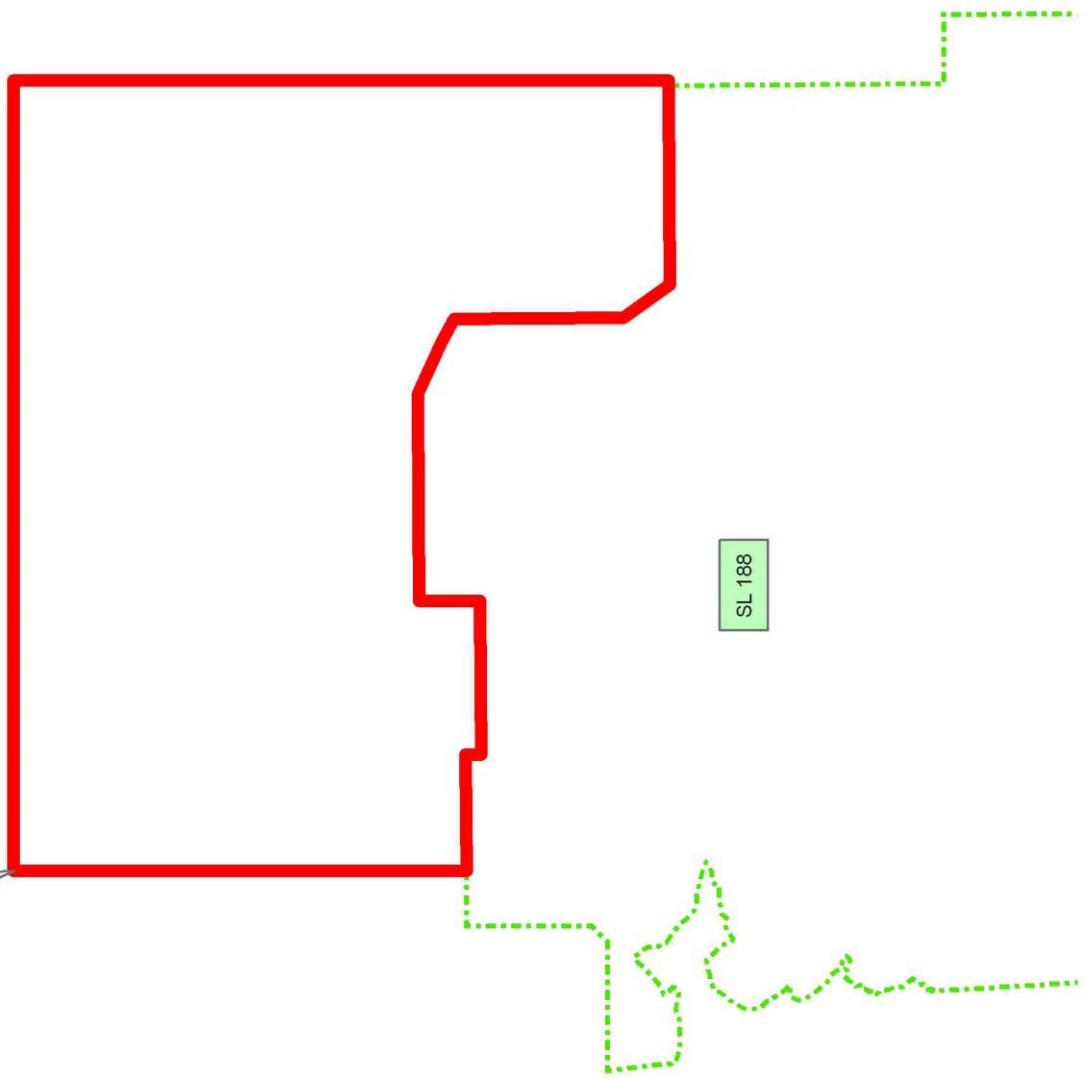


TERREBONNE PARISH

TIMBALIER BAY

P.O.B.

SL 188



Office of Mineral Resources, Acres: 2499.5 Tract Number: 39787

**TRACT 39788 - Portion of Blocks 115, 116, and 117, South Timbalier Area, Revised, Terrebonne Parish, Louisiana**

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description as to which title is vested 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 April 9, 2008, situated in Terrebonne Parish, Louisiana, and more particularly described as follows: Beginning at a point within Block 115, South Timbalier Area, Revised, having Coordinates of X = 2,252,550.00 and Y = 182,695.48; thence East 7,249.00 feet to a point within Block 116, South Timbalier Area, Revised, having Coordinates of X = 2,259,799.00 and Y = 182,695.48; thence South 7,600.00 feet to a point on the North boundary of State Lease No. 1247, as amended, having Coordinates of X = 2,259,799.00 and Y = 175,095.48; thence along the boundary of said State Lease No. 1247 the following courses: West 1,590.96 feet to a point having Coordinates of X = 2,258,208.04 and Y = 175,095.48; South 200.00 feet to a point having Coordinates of X = 2,258,208.04 and Y = 174,895.48 and West 4,050.00 feet to its Northwest corner having Coordinates of X = 2,254,158.04 and Y = 174,895.48; thence West 1,608.04 feet to a point within Block 117, South Timbalier Area, Revised, having Coordinates of X = 2,252,550.00 and Y = 174,895.48; thence North 7,800.00 feet to the point of beginning, containing approximately **1,290.73 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 Office of Mineral Resources requires a minimum price per acre of \$225 and a minimum royalty of 21.5%. However, any prospective bidder(s) may include in the bid form as additional consideration the following, the lessor agrees that in the event this lease or any part of this lease is included in a unit established by the Commissioner of Conservation as a qualified tertiary recovery project the royalty due shall be reduced to 18.75% of the value, as hereinafter provided, of all oil, including condensate or other liquid mineral, produced and saved or utilized by methods considered ordinary production methods at the time of production until the project has reached payout from the total production from the reservoir qualified as a tertiary recovery project. Payout of the Tertiary Recovery Project shall be determined by Order of the Commissioner of Conservation pursuant to Rule 3 of the Rules of Procedure for Application of Tertiary Recovery Incentive. The lessee may seek a further reduction in royalty under RS 30:127.1, Tertiary Recovery Incentive, from the State Mineral Board for a qualifying tertiary recovery project.**

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.

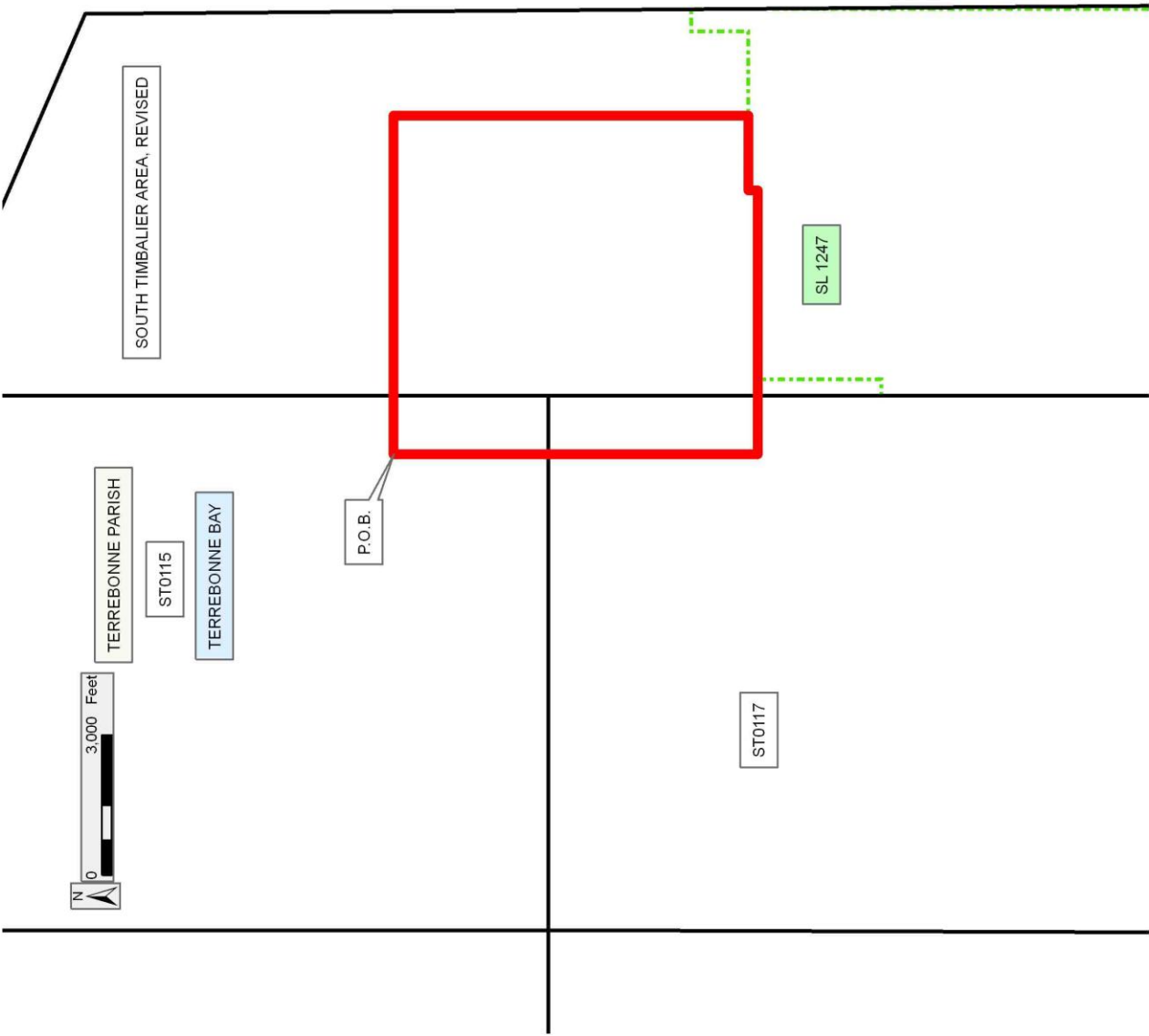
NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from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

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

**Legend**

-  08040023
-  Blocks
-  Active\_Leases



Office of Mineral Resources, Acres: 1290.73 Tract Number: 39788