## TRACT 34722 - Plaquemines Parish, Louisiana

All State owned lands and water bottoms not under mineral lease on July 10, 2002, within the confines of the Pass-A-Loutre Wildlife Management Area as defined by the Department of Wildlife & Fisheries and included in a title opinion from the Office of the Governor, dated August 3, 1998, in Plaquemines Parish, Louisiana, within the following situated boundaries: Beginning at a point having Coordinates of X = 2,703,700.00and Y = 172,200.00; thence East 6,153.36 feet to a point on the Western boundary of State Lease No. 4901, as amended, having Coordinates of X = 2,709,853.36 and Y = 172,200.00; thence along the boundary of said State Lease No. 4901 the following courses: Southeasterly and Easterly to its Southeast corner having Coordinates of X = 2,711,850.00and 171,339.87; thence North 0.13 feet along the East line of said State Lease No. 4901 to the Southwest corner of State Lease No. 2090, as amended, having Coordinates of X = 2,711,850.00 and Y = 171,340.00; thence Northeasterly along the Southern boundary of said State Lease No. 2090 to the Northwest corner of State Lease No. 17071 having Coordinates of X = 2,713,088.72 and Y = 171,972.90; thence South 3,728.70 feet along the West line of said State Lease No. 17071 to its Southwest corner having Coordinates of X = 2,713,088.72 and Y = 168,244.20; thence East 1,177.19 feet along the South line of said State Lease No. 17071 to the Northwest corner of State Lease No. 17325 having Coordinates of X = 2,714,265.91 and Y = 168,244.20; thence South 1,171.31 feet along the West line of said State Lease No. 17325 to its Southwest corner, also being a point on the North line of State Lease No. 9646, as amended, having Coordinates of X = 2,714,265.91 and Y = 167,072.89; thence West 915.91 feet along the North line of said State Lease No. 9646 to its Northwest corner, also being the Northerly Northeast corner of State Lease No. 11107 Coordinates of X = 2,713,350.00 and Y = 167,072.89; thence West 424.09 feet along the North line of said State Lease No. 11107 to its Northwest corner having Coordinates of X = 2,712,925.91 and Y = 167,072.89; thence South 2,640.00 feet along the West line of said State Lease No. 11107 to its Southwest corner having Coordinates of X = 2,712,925.91 and Y =164,432.89; thence East 2,084.09 feet along the South line of said State Lease No. 11107 to the most Westerly Northwest corner of State Lease No. 17324 having Coordinates of X = 2,715,010.00 and Y = 164,432.89; South 3,321.72 feet along the West line of said State Lease No. 17324 to its Southwest corner having Coordinates of X = 2,715,010.00 and Y =161,111.17; thence West 11,120.63 feet to a point on the Eastern boundary of State Lease No. 214 having Coordinates of X = 2,703,889.37 and Y =161,111.17; thence North 01 degrees 05 minutes 10 seconds West 4,180.84 feet along the Eastern boundary of said State Lease No. 214 to a point on the Southern boundary of State Lease No. 4901, as amended, Coordinates of X = 2,703,810.11 and Y = 165,291.26; thence along the boundary of said State Lease No. 4901 the following courses:

Northeasterly, Easterly, Northeasterly, Northerly, Westerly Southwesterly to a point on the Eastern boundary of said State Lease No. 214 having Coordinates of X = 2,703,807.42 and Y = 165,433.33; thence North 01 degrees 05 minutes 10 seconds West 5,126.57 feet along the Eastern boundary of said State Lease No. 214 to its most Easterly Northeast corner having Coordinates of X = 2,703,710.23170,558.99; thence North 00 degrees 21 minutes 26 seconds West 1,641.05 feet to the point of beginning, LESS AND EXCEPT any privately owned land that may be located within the above described tract, LESS AND EXCEPT all that portion of State Lease No. 214 that may lie within the above described tract, containing approximately 2,371 acres, as shown outlined on a plat on file in the Office of Mineral Resources, Department of All bearings, distances and coordinates are based on Natural Resources. Louisiana Coordinate System of 1927 (South Zone).

NOTE: The above description of the tract nominated for lease has been provided exclusively by the party nominating the tract for lease.

Maps depicting the nominated tract, containing the bearings, distances and coordinates of the nominated tract based on the Louisiana Coordinate System of 1927, North or South Zone, as applicable, are available for public inspection and review at the offices of the Louisiana State Mineral Board from 10:00 a.m. to 3:00 p.m. Monday - Friday.

Any mineral lease selected from the nominated 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 or 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 existing of 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 Lessee prior to such modification, cancellation, or abrogation, including, but not limited to, bonuses, rents and royalties.

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 Wildlife and Fisheries and any work done under an oil, gas and other liquid or gaseous mineral lease from the State of Louisiana must be conducted in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

NOTE: This tract may be located within the Pass-A-Loutre Wildlife Management Area . Any operations on said tract shall be coordinated with the Louisiana Department of Wildlife and Fisheries. Special Rules and Regulations have been promulgated by the Louisiana Department of Wildlife and Fisheries for the protection of the game and wildlife for some

management areas. Any lease awarded by the Board on said tract may be subject to any applicable Rules and Regulations of said management area. Copies of these Rules and Regulations may be obtained from the Louisiana Department of Wildlife and Fisheries through the Assistant Secretary, Office of Wildlife, upon request.

- NOTE: 1. No activities will be allowed without written authorization of the Louisiana Department of Wildlife and Fisheries. All projects will be coordinated and approved by the Pass-A-Loutre WMA Supervisor prior to any activities on the wildlife management area.
- 2. Proposed projects will be evaluated on a case by case basis. Modifications to proposed project features including but not limited to access routes, well sites, flowlines and appurtenant structures may be required by the Louisiana Department of Wildlife and Fisheries.
- 3. Compliance with the Pass-A-Loutre WMA regulations will be required unless otherwise specified by the Department.
- 4. Compensatory mitigation will be required to offset unavoidable habitat impacts.
- 5. Removal of all structures, facilities and equipment will be required within 120 days of abandonment unless otherwise agreed to by the Department.
- 6. No activities will be allowed during the hunting season unless approved by the Department.
- 7. Prior to submitting applications for wetland permits to Federal and State permitting agencies, the leaseholder shall coordinate project details with the Department.

NOTE: The Department will require a minimum bonus of \$350.00 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 and/or the Louisiana Department of Wildlife and Fisheries, 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 and/or the Louisiana Department of Wildlife and Fisheries, its Offices or Commissions, as hereinabove reserved.

Applicant: Harold J. Anderson, Inc.

