

**TRACT 35565 - Portion of Block 53, West Delta Area, Plaquemines 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 July 9, 2003, situated in Plaquemines Parish, Louisiana, and more particularly described as follows: Beginning at the Northwest corner of Block 53, West Delta Area, having Coordinates of X = 2,626,377.93 and Y = 144,676.30; thence East approximately 17,373 feet on the North line of said Block 53 to a point on the Western boundary of State Lease No. 1924 having a Coordinate of Y = 144,676.30; thence Southwesterly along the Western boundary of said State Lease No. 1924 to the Northeast corner of State Lease No. 2227 having a Coordinate of Y = 141,182.00; thence Westerly and Southwesterly along the boundary of said State Lease No. 2227 to a point on the Northern boundary of the East portion of State Lease No. 978, as amended, having a Coordinate of Y = 140,950.00; thence along the boundary of said State Lease No. 978 the following courses: West approximately 1,330 feet, South 23 degrees 16 minutes 44 seconds West 4,681.08 feet, and South 21 degrees 44 minutes 59 seconds East 1,506.24 feet to its most Southerly corner, also being the Northeast corner of State Lease No. 16825; thence Westerly approximately 2,490 feet along the North line of said State Lease No. 16825 to a point having Coordinates of X = 2,633,714.58 and Y = 135,250.99, thence West 2,172.23 feet along the said North line of said State Lease No. 16825 to its Northwest corner, also being a point on the Eastern boundary of AO 0105 having Coordinates of X = 2,631,542.36 and Y = 135,250.99; thence along the boundary of said AO 0105 the following courses: North 08 degrees 58 minutes 17 seconds East 228.10 feet and North 32 degrees 00 minutes 19 seconds West 2,830.19 feet to its Northwest corner, also being a point on the East line of the West portion of said State Lease No. 978 having Coordinates of X = 2,630,077.93 and Y = 137,876.30; thence along the boundary of said State Lease No. 978 the following courses: North 900.00 feet and West 3,700.00 feet to its Northwest corner, also being a point on the West line of said Block 53 having Coordinates of X = 2,626,377.93 and Y = 138,776.30; thence North 5,900.00 feet to the point of beginning, containing approximately **1,508 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, or statutory, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Should the mineral lease awarded by the Louisiana State Mineral

Board be subsequently modified, cancelled or abrogated due to the existence of conflicting leases, operating agreements, private claims or other future obligations or conditions which may affect all or any portion of the leased Tract, it shall not relieve the Lessee of the obligation to pay any bonus due thereon to the Louisiana State Mineral Board, nor shall the Louisiana State Mineral Board be obligated to refund any consideration paid by the Lessor prior to such modification, cancellation, or abrogation, including, but not limited to, bonuses, rentals and royalties.

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

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: Pinnacle Resources, Inc.

Bidder	Cash Payment	Price / Acre	Rental	Oil	Gas	Other



