LLOG EXPLORATION COMPANY, L.L.C. 433 Metairie Road, Suite 600 Metairie, Louisiana 70005 May 5, 2004

State of Louisiana Department of Natural Resources Office of Mineral Resources State Mineral Board Post Office Box 2827 Baton Rouge, Louisiana 70821-2827

Attention: Ms. Lynn Henderson

RE: State Lease Sale Dated July 14, 2004 Ten (10) Tracts White Lake Area Vermillion Parish, Louisiana

Ladies and Gentlemen:

In accordance with the provisions of Act No. 92 of the Regular Session of the Louisiana Legislature of 1942, the State Mineral Board will advertise and receive bids on, July 14, 2004, for an oil and gas lease or leases by the State of Louisiana on White Lake acreage.

The provisions of said Act No. 92 require that, within sixty (60) days after the granting by the State Mineral Board of a State Lease, said Lessee from the State shall obtain a lease on the White Lake acreage from the Acadia Vermilion Rice Irrigation Company, Inc.

This is to advise that, within sixty (60) days after the granting of a lease by the State Mineral Board of such acreage, or any part or parts thereof, LLOG Exploration Company, L.L.C. (successor in title from Energy Development Corporation) and AVRICO, Inc., together successors in ownership to Acadia Vermilion Rice Irrigation Company, Inc., will grant to the State's Lessee an oil, gas and mineral lease or leases for a consideration equal to the following:

1. fifty percent (50%) of the amount to be paid to the State in cash payment money for lease bonus and rentals; and,

2. fifty percent (50%) of the royalty payable to the State but, in no event, to be less than a total aggregate royalty of 25% to the State and the required private lease or leases, resulting, therefore, in a minimum royalty of 8.333% of 8/8ths, net, to LLOG Exploration Company, L.L.C. and AVRICO, Inc. The form of lease which will be executed by the undersigned will follow closely the form executed by the State Mineral Board on behalf of the State, inclusive of a paragraph providing that, at the end of the primary term of the lease, Lessee shall release in favor of Lessors (LLOG Exploration Company, L.L.C. and AVRICO, Inc.) all of Lessee's right, title and interest in such lease or leases as to all depths 100 feet below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at the expiration of the primary term.

It will be required that the lessee shall be a person, company or corporation having sufficient financial strength, technical organization and the necessary experience to properly develop the property.

Please call if you require further documentation of our respective occurrences.

Very truly yours,

LLOG EXPLORATION COMPANY, L.L.C. s/Michael C. McKeogh

TRACT 36496 - Vermilion Parish, Louisiana

A portion of the entirety of the beds and bottoms embraced within the meander of the shoreline as same existed in 1942, located in any parts of Township 14 South, Ranges 1, 2 and 3 West and 1 East, and Township 15 South, Ranges 1, 2 and 3 West and 1 East, the entirety of said described area being deemed to comprise 50,000 acres, whether actually more or less, not presently under mineral lease from the State on July 14, 2004, and not formerly adjudicated in fee ownership to any party other than the State of Louisiana; which property is subject to the provisions of Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature requiring the successful bidder, within sixty (60) days of obtaining a mineral lease from the State of Louisiana, to obtain additional leases on the same property from LLOG Exploration Company, L.L.C. (successor in title to Energy Development Corp.) and Avrico, Inc. [both successors in title to Acadian Vermilion Rice Irrigation Company, Inc.] containing terms not substantially different from and further containing a bonus and royalty not less than one-half (1/2) of those contained in the lease taken from the State of Louisiana, being more specifically described as follows: Beginning at a point having Coordinates of X = 1,614,700.00 and Y = 421,200.00; thence South 12,104.10 feet to a point on the boundary of State Lease No. 540, as amended, having Coordinates of X = 1,614,700.00and Y = 409,095.90; thence along the boundary of said State Lease No. 540, the following courses: North 89 degrees 22 minutes 00 seconds West 1105.77 feet, North 0 degrees 38 minutes 00 seconds East 1300.00 feet, North 89 degrees 22 minutes 00 seconds West 3100.00 feet and North 0 degrees 38 minutes 00 seconds East 1500.00 feet to the Southeast corner of the Southeast portion of State Lease No. 11151, as amended, having Coordinates of X = 1,610,525.43 and Y = 411,942.21; thence along the North and East boundary of the Southeast portion of said State Lease No. 11151, the following courses: North 659.14 feet to a point having Coordinates of X = 1,610,525.43 and Y = 412,601.36 and North 89 degrees 22 minutes 01 seconds West 2,742.72 feet to its Northwest corner, said corner also being a point on the boundary of said State Lease No. 540, having Coordinates of X =1,607,782.88 and Y = 412,631.67; thence along the boundary of said State Lease No. 540, the following courses: North 540.77 feet, West 524.32 feet, North 580.07 feet and West 1,227.37 feet to the Southeast corner of the Northwest portion of said State Lease No. 11151, having Coordinates of X = 1,606,031.19 and Y = 413,752.50; thence along the boundary of the Northwest portion of said State Lease No. 11151, the following courses: North 1,400.00 feet, South 69 degrees 43 minutes 03 seconds East 151.05 feet, North 26 degrees 19 minutes 18 seconds West 220.74 feet, North 42 degrees 55 minutes 48 seconds West 411.10 feet, North 51 degrees 36 minutes 36 seconds West 497.58 feet, North 17 degrees 08 minutes 01 seconds East 152.78 feet, North 40 degrees 46 minutes 20 seconds East 262.11 feet and West 2121.17 feet to a point having Coordinates of X = 1,603,500.00 and Y = 416,252.50; thence North 4,947.50 feet to a point having Coordinates of X = 1,603,500.00 and Y = 421,200.00; thence East 11,200.00 feet to the point of beginning, containing approximately 1,407 acres, all as more particularly outlined on a plat on file in the Office

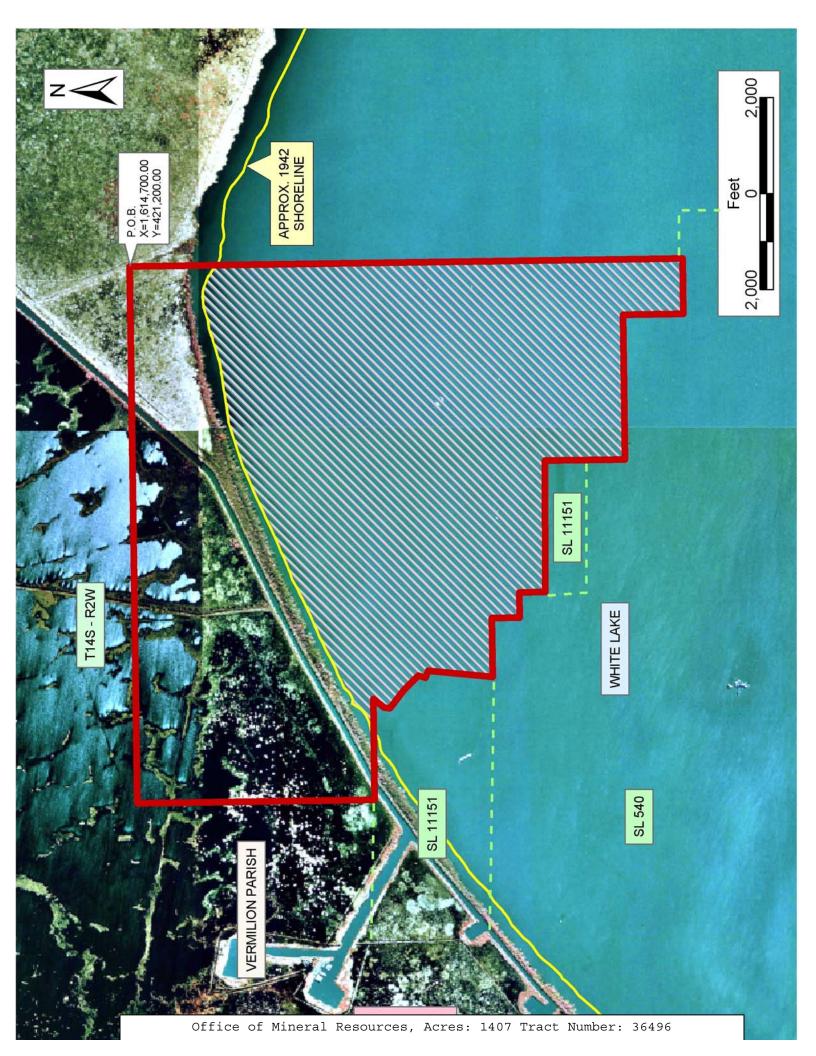
of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (South Zone).

NOTE: The maximum primary term for any lease of this tract is three (3) years and further, the aggregate total royalty in leases from the State of Louisiana, LLOG Exploration Company, L.L.C. and Avrico, Inc. on this tract shall not equal less than twenty-five percent (25%). All leases, including the State lease shall contain a paragraph providing that, at the end of the primary term of the lease, Lessee shall release in favor of Lessor all of Lessee's right, title and interest in such lease as to all depths one hundred feet (100') below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at that time.

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.

Bidder	Cash	Price/	Rental	Oil	Gas	Other
	Payment	Acre				



TRACT 36497 - Vermilion Parish, Louisiana

A portion of the entirety of the beds and bottoms embraced within the meander of the shoreline as same existed in 1942, located in any parts of Township 14 South, Ranges 1, 2 and 3 West and 1 East, and Township 15 South, Ranges 1, 2 and 3 West and 1 East, the entirety of said described area being deemed to comprise 50,000 acres, whether actually more or less, not presently under mineral lease from the State on July 14, 2004, and not formerly adjudicated in fee ownership to any party other than the State of Louisiana; which property is subject to the provisions of Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature requiring the successful bidder, within sixty (60) days of obtaining a mineral lease from the State of Louisiana, to obtain additional leases on the same property from LLOG Exploration Company, L.L.C. (successor in title to Energy Development Corp.) and Avrico, Inc. [both successors in title to Acadian Vermilion Rice Irrigation Company, Inc.] containing terms not substantially different from and further containing a bonus and royalty not less than one-half (1/2) of those contained in the lease taken from the State of Louisiana, being more specifically described as follows: Beginning at a point having Coordinates of X = 1,614,700.00 and Y =421,200.00; thence East 13,300.00 feet to a point having Coordinates of X = 1,628,000.00 and Y = 421,200.00; thence South 7,715.49 feet to a point having Coordinates of X = 1,628,000.00 and Y = 413,484.51; thence West 4,589.54 feet to a point having Coordinates of X = 1,623,410.46 and Y =413,484.51; thence South 6,401.16 feet to a point having Coordinates of X = 1,623,410.46 and Y = 407,083.35; thence West 7608.41 feet to a point on the East boundary of State Lease No. 540, as amended; thence North 00 degrees 38 minutes 00 seconds East 2000.24 feet along the East boundary of said State Lease No. 540 to it's most Southern Northeast corner; thence N89°22'00"W 1124.23 feet along the North boundary of said State Lease No. 540 to a point having Coordinates of X = 1,614,700.00 and Y = 409,095.90;thence North 12,104.10 feet to the point of beginning, containing approximately 2,263 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, (South Zone).

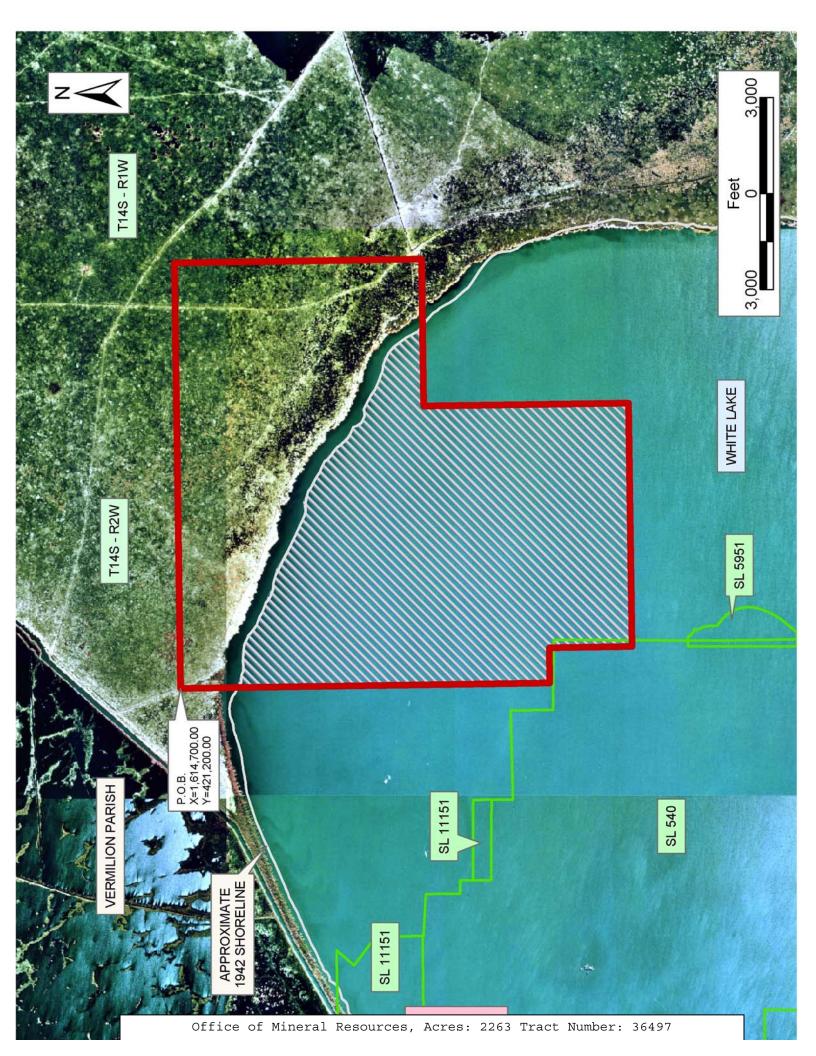
NOTE: The maximum primary term for any lease of this tract is three (3) years and further, the aggregate total royalty in leases from the State of Louisiana, LLOG Exploration Company, L.L.C. and Avrico, Inc. on this tract shall not equal less than twenty-five percent (25%). All leases, including the State lease shall contain a paragraph providing that, at the end of the primary term of the lease, Lessee shall release in favor of Lessor all of Lessee's right, title and interest in such lease as to all depths one hundred feet (100') below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at that time.

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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 Lessor prior to such modification, cancellation, paid by the 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.

Cash	Price/	Rental	Oil	Gas	Other
Payment	Acre				



TRACT 36498 - Cameron and Vermilion Parishes, Louisiana

A portion of the entirety of the beds and bottoms embraced within the meander of the shoreline as same existed in 1942, located in any parts of Township 14 South, Ranges 1, 2 and 3 West and 1 East, and Township 15 South, Ranges 1, 2 and 3 West and 1 East, the entirety of said described area being deemed to comprise 50,000 acres, whether actually more or less, not presently under mineral lease from the State on July 14, 2004, and not formerly adjudicated in fee ownership to any party other than the State of Louisiana; which property is subject to the provisions of Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature requiring the successful bidder, within sixty (60) days of obtaining a mineral lease from the State of Louisiana, to obtain additional leases on the same property from LLOG Exploration Company, L.L.C. (successor in title to Energy Development Corp.) and Avrico, Inc. [both successors in title to Acadian Vermilion Rice Irrigation Company, Inc.] containing terms not substantially different from and further containing a bonus and royalty not less than one-half (1/2) of those contained in the lease taken from the State of Louisiana, being more specifically described as follows: Beginning at a point having Coordinates of X = 1,592,330.00 and Y =397,274.50; thence North 18,475.50 feet to a point having Coordinates of X = 1,592,330.00 and Y = 415,750.00; thence East 7,956.27 feet to a point on the West line of the Northwest portion of State Lease No. 11151, as amended, having Coordinates of X = 1,600,295.27 and Y = 415,750.00; thence South 1,997.50 feet along the West line of the Northwest portion of said State Lease No. 11151 to its Southwest corner; thence East approximately 1200 feet along the South line of said State Lease No. 11151 to the Most North Northwest corner of State Lease No. 540, as amended, having a Coordinate of Y = 413,752.50; thence Southwesterly approximately 3175 feet along the Northwesterly line of said State Lease No. 540 to a corner having a Coordinate of X = 1,599,113.00, thence South approximately 6900 feet along the west line of said State Lease No. 540 to a corner having Coordinates of X = 1,599,113.00 and Y = 404,754.00; thence along the West and South line of said State Lease No. 540 the following courses: East 3000.00 feet, South 1800.00 feet, East 1800.00 feet South 2840.00 feet, East 1800.00 feet and South 2840.00 feet to it's Southwest corner having Coordinates of X = 1,605,713.00 and Y = 397,274.50; thence West 13,383.00 feet to the point of beginning, containing approximately 2,430 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, (South Zone).

NOTE: The maximum primary term for any lease of this tract is three (3) years and further, the aggregate total royalty in leases from the State of Louisiana, LLOG Exploration Company, L.L.C. and Avrico, Inc. on this tract shall not equal less than twenty-five percent (25%). All leases, including the State lease shall contain a paragraph providing that, at the end of the primary term of the lease, Lessee shall release in favor of Lessor all of Lessee's right, title and interest in such lease as to all depths one

hundred feet (100') below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at that time.

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.

Bidder	Cash	Price/	Rental	Oil	Gas	Other
	Payment	Acre				



TRACT 36499 - Vermilion Parish, Louisiana

A portion of the entirety of the beds and bottoms embraced within the meander of the shoreline as same existed in 1942, located in any parts of Township 14 South, Ranges 1, 2 and 3 West and 1 East, and Township 15 South, Ranges 1, 2 and 3 West and 1 East, the entirety of said described area being deemed to comprise 50,000 acres, whether actually more or less, not presently under mineral lease from the State on July 14, 2004, and not formerly adjudicated in fee ownership to any party other than the State of Louisiana; which property is subject to the provisions of Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature requiring the successful bidder, within sixty (60) days of obtaining a mineral lease from the State of Louisiana, to obtain additional leases on the same property from LLOG Exploration Company, L.L.C. (successor in title to Energy Development Corp.) and Avrico, Inc. [both successors in title to Acadian Vermilion Rice Irrigation Company, Inc.] containing terms not substantially different from and further containing a bonus and royalty not less than one-half (1/2) of those contained in the lease taken from the State of Louisiana, being more specifically described as follows: Beginning at a point on the East boundary of State Lease No. 540, as amended, having Coordinates of X = 1,615,733.97 and Y = 400,924.30; thence North 00 degrees 38 minutes 00 seconds East 999.68 feet along the East boundary of said State Lease No. 540 to a point of intersection with the Southwest corner of State Lease No. 5951, as amended, having Coordinates of X = 1,615,745.00 and Y = 401,923.92; thence along the boundaries of said State Lease No. 5951 the following: South 88 degrees 48 minutes 17 seconds East 428.09 feet, North 39 degree 03 minutes 25 seconds East 450.73 feet to a point having Coordinates of X = 1,616,457.01 and Y =402,264.99, thence along a curve having a radius of 2,208.00 feet and a center at X = 1,614,820.95 and Y = 403,747.76 to a point having Coordinates of X = 1,616,911.43 and Y = 403,036.99, thence along a curve having a radius of 1,108.00 feet and a center at X = 1,615,876.98 and Y =403,433.96 to a point having Coordinates of X = 1,616,560.51 and Y = 404,306.00, North 51 degrees 36 minutes 33 seconds West 190.16 feet to a point having Coordinates of X = 1,616,411.46 and Y = 404,424.09, thence along a curve having a radius of 910.50 feet and a center of Х = 1,615,512.95 and Y = 404,571.39 to a point having Coordinates of X = 1,616,274.20 and Y = 405,070.90, North 33 degrees 20 minutes 27 seconds East 81.52 feet, North 71 degrees 53 minutes 38 seconds West 126.26 feet to a point having Coordinates of X = 1,616,199.00 and Y = 405,178.24, thence along a curve having a radius of 3,700.00 feet and a center at X = 1,613,199.41 and Y = 403,012.04 to a point having Coordinates of X =1,616,080.18 and Y = 405,333.92 and West 297.47 feet to its Northwest corner and a point on the East Line of said State Lease No. 540; thence North 00 degrees 38 minutes 00 seconds East 1,749.53 feet along the East Line of said State Lease No. 540 to a point having Coordinates of X = 1,615,802.04 and Y = 407,083.35; thence East 7,608.42 feet to a point having Coordinates of X = 1,623,410.46 and Y = 407,083.35; thence North 6,401.17 feet to a point having Coordinates of X = 1,623,410.46 and Y = 413,484.51; thence East approximately 2,494 feet to the 1942 Shoreline of

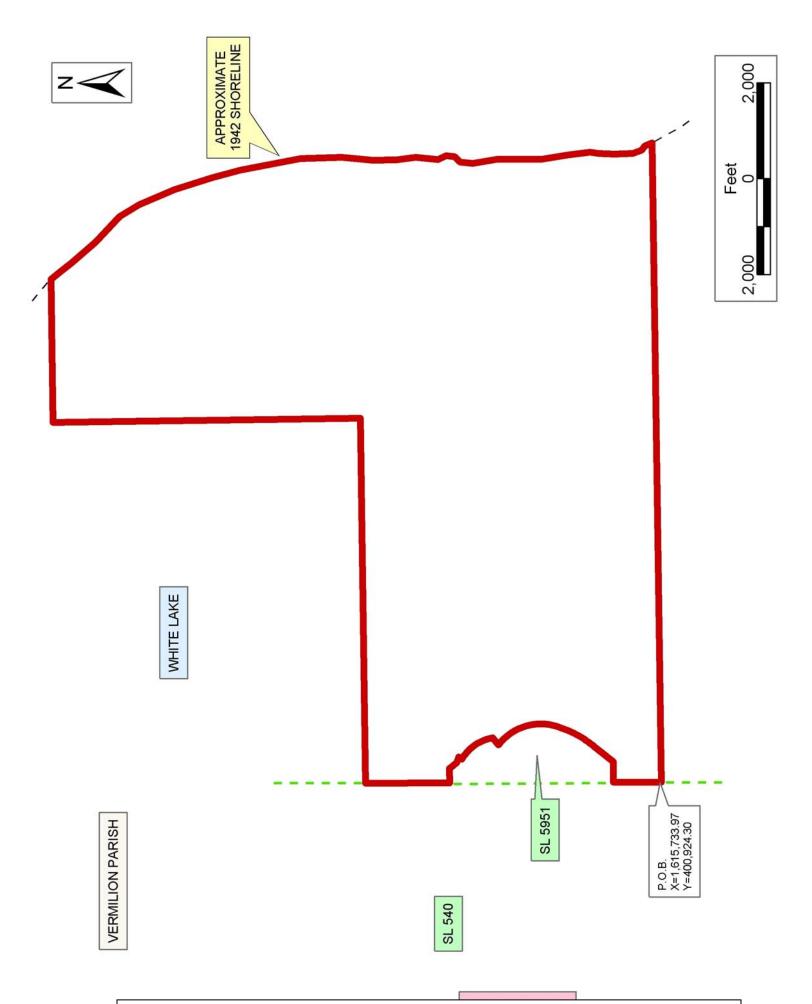
White Lake; thence Southeasterly and Southerly along said Shoreline to a point having a Coordinate of Y = 400,924.30; thence West approximately 13,322.00 feet to the point of beginning, LESS AND EXCEPT that portion, if any, of State Lease No. 540, as amended, that may lie within the above described tract, containing approximately 2,472.27 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, (South Zone).

NOTE: The maximum primary term for any lease of this tract is three (3) years and further, the aggregate total royalty in leases from the State of Louisiana, LLOG Exploration Company, L.L.C. and Avrico, Inc. on this tract shall not equal less than twenty-five percent (25%). All leases, including the State lease shall contain a paragraph providing that, at the end of the primary term of the lease, Lessee shall release in favor of Lessor all of Lessee's right, title and interest in such lease as to all depths one hundred feet (100') below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at that time.

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.

Bidder	Cash	Price/	Rental	Oil	Gas	Other
	Payment	Acre				



TRACT 36500 - Vermilion Parish, Louisiana

A portion of the entirety of the beds and bottoms embraced within the meander of the shoreline as same existed in 1942, located in any parts of Township 14 South, Ranges 1, 2 and 3 West and 1 East, and Township 15 South, Ranges 1, 2 and 3 West and 1 East, the entirety of said described area being deemed to comprise 50,000 acres, whether actually more or less, not presently under mineral lease from the State on July 14, 2004, and not formerly adjudicated in fee ownership to any party other than the State of Louisiana; which property is subject to the provisions of Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature requiring the successful bidder, within sixty (60) days of obtaining a mineral lease from the State of Louisiana, to obtain additional leases on the same property from LLOG Exploration Company, L.L.C. (successor in title to Energy Development Corp.) and Avrico, Inc. [both successors in title to Acadian Vermilion Rice Irrigation Company, Inc.] containing terms not substantially different from and further containing a bonus and royalty not less than one-half (1/2) of those contained in the lease taken from the State of Louisiana, being more specifically described as follows: Beginning at a point on the East Line of State Lease No. 540, as amended, having Coordinates of X = 1,615,733.97 and Y = 400,924.30; thence East approximately 13,323.00 feet to the 1942 Shoreline of White Lake; thence Southerly and Southeasterly along said Shoreline to the Southwest corner of State Lease No. 16853 and the Northwest corner of State Lease No. 16854; thence South 24 degrees 37 minutes 13 seconds East approximately 3,125 feet along the West Line of said State Lease No. 16854 to a point having Coordinates of X = 1,632,740.59 and Y = 396,254.00; thence West 9,940.59 feet to the Northeast corner of State Lease No. 17938 having Coordinates of X = 1,622,800.00 and Y = 396,254.00; thence along the North Line of said State Lease No. 17938 the following: West 3,591.00 feet and South 73 degrees 15 minutes 20 seconds West 3,672.31 feet to its Northwest corner and a point on the East Line of State Lease No. 15038, as amended, having Coordinates of X = 1,615,692.40 and Y = 395,196.00; thence North 1,968.20 feet along the East line of said State Lease No. 15038 to its Northeast corner and the Southeast corner of said State Lease No. 540 having Coordinates of X = 1,615,692.40 and Y = 397,164.20; thence North 00 degrees 38 minutes 00 seconds East 3,760.33 feet along the East Line of said State Lease No. 540, to the point of beginning, LESS AND EXCEPT that portion, if any, of State Lease No. 540, as amended, that may lie within the above described tract, containing approximately 1,684.00 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, (South Zone).

NOTE: The maximum primary term for any lease of this tract is three (3) years and further, the aggregate total royalty in leases from the State of Louisiana, LLOG Exploration Company, L.L.C. and Avrico, Inc. on this tract shall not equal less than twenty-five percent (25%). All leases, including the State lease shall contain a paragraph providing that, at the end of

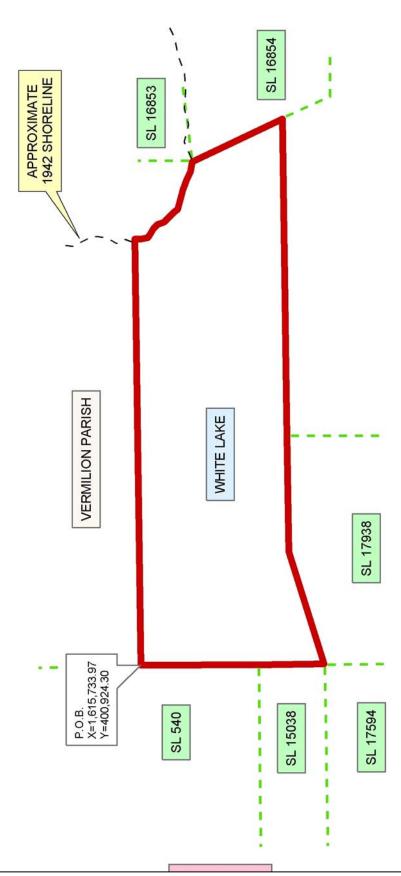
the primary term of the lease, Lessee shall release in favor of Lessor all of Lessee's right, title and interest in such lease as to all depths one hundred feet (100') below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at that time.

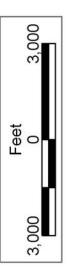
NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied,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

Bidder	Cash	Price/	Rental	Oil	Gas	Other
	Payment	Acre				







TRACT 36501 - Cameron and Vermilion Parishes, Louisiana

A portion of the entirety of the beds and bottoms embraced within the meander of the shoreline as same existed in 1942, located in any parts of Township 14 South, Ranges 1, 2 and 3 West and 1 East, and Township 15 South, Ranges 1, 2 and 3 West and 1 East, the entirety of said described area being deemed to comprise 50,000 acres, whether actually more or less, not presently under mineral lease from the State on July 14, 2004, and not formerly adjudicated in fee ownership to any party other than the State of Louisiana; which property is subject to the provisions of Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature requiring the successful bidder, within sixty (60) days of obtaining a mineral lease from the State of Louisiana, to obtain additional leases on the same property from LLOG Exploration Company, L.L.C. (successor in title to Energy Development Corp.) and Avrico, Inc. [both successors in title to Acadian Vermilion Rice Irrigation Company, Inc.] containing terms not substantially different from and further containing a bonus and royalty not less than one-half (1/2) of those contained in the lease taken from the State of Louisiana, being more specifically described as follows: Beginning at a point having Coordinates of X = 1,592,330.00 and Y =397,274.50; thence East 13,383.00 feet to the most Southern, Southwest corner of State Lease No. 540, as amended; thence South 89 degrees 22 minutes 00 seconds East 1900.00 feet along the South line of said State Lease No. 540 to the Northwest corner of State Lease No. 17594 having Coordinates of X = 1,607,612.88 and Y = 397,253.50; thence South 4,453.50 feet along the West line of said State Lease No. 17594 to its Southwest corner, said corner also being the Northwest corner of State Lease No. 17939, having Coordinates of X = 1,607,612.88 and Y = 392,800.00; thence South 43 degrees 34 minutes 37 seconds East 4,638.01 feet along the West said State Lease No. 17939 to its Southwest corner having line of Coordinates of X = 1,610,810.00 and Y = 389,440.00; thence West 18,480.00 feet to a point having Coordinates of X = 1,592,330.00 and Y = 389,440.00; thence North 7,834.50 feet to the point of beginning, containing approximately 2,280 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, (South Zone).

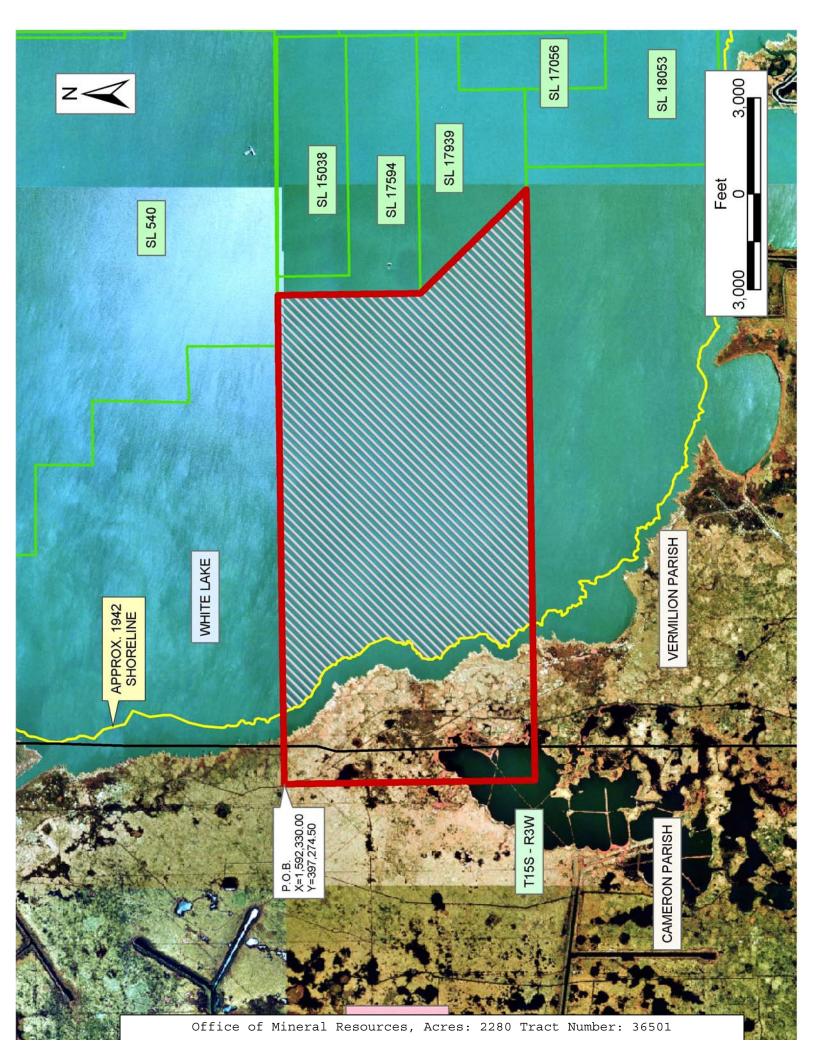
NOTE: The maximum primary term for any lease of this tract is three (3) years and further, the aggregate total royalty in leases from the State of Louisiana, LLOG Exploration Company, L.L.C. and Avrico, Inc. on this tract shall not equal less than twenty-five percent (25%). All leases, including the State lease shall contain a paragraph providing that, at the end of the primary term of the lease, Lessee shall release in favor of Lessor all of Lessee's right, title and interest in such lease as to all depths one hundred feet (100') below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at that time.

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.

Bidder	Cash Payment	Price/ Acre	Rental	Oil	Gas	Other



TRACT 36502 - Vermilion Parish, Louisiana

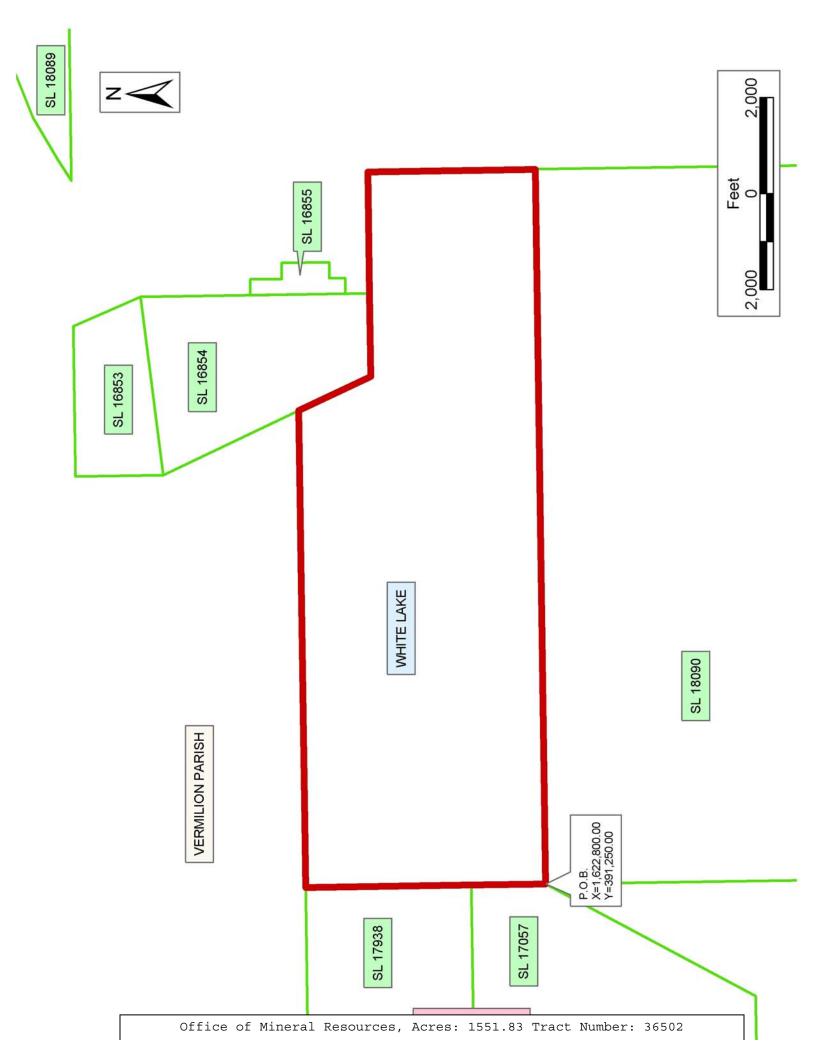
A portion of the entirety of the beds and bottoms embraced within the meander of the shoreline as same existed in 1942, located in any parts of Township 14 South, Ranges 1, 2 and 3 West and 1 East, and Township 15 South, Ranges 1, 2 and 3 West and 1 East, the entirety of said described area being deemed to comprise 50,000 acres, whether actually more or less, not presently under mineral lease from the State on July 14, 2004, and not formerly adjudicated in fee ownership to any party other than the State of Louisiana; which property is subject to the provisions of Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature requiring the successful bidder, within sixty (60) days of obtaining a mineral lease from the State of Louisiana, to obtain additional leases on the same property from LLOG Exploration Company, L.L.C. (successor in title to Energy Development Corp.) and Avrico, Inc. [both successors in title to Acadian Vermilion Rice Irrigation Company, Inc.] containing terms not substantially different from and further containing a bonus and royalty not less than one-half (1/2) of those contained in the lease taken from the State of Louisiana, being more specifically described as follows: Beginning at the most North Southeast corner of State Lease No. 17057 having Coordinates of X = 1,622,800.00 and Y = 391,250.00; thence North 1,550.00 feet along the East Line of said State Lease No. 17057 to its Northeast corner and the Southeast corner of State Lease No. 17938, having Coordinates of X = 1,622,800.00 and Y = 392,800.00; thence continue North 3,454.00 feet along the East Line of said State Lease No. 17938 to its Northeast corner having Coordinates of X = 1,662,800.00and Y = 396,254.00; thence East 9,940.59 feet to a point on the West Line of State Lease No. 16854; thence along the West and South boundary of said State Lease No. 16854 the following: South 24 degrees 27 minutes 13 seconds East 1,659.90 feet and East 1,730.29 feet to its Southeast corner having Coordinates of X = 1,635,162.40 and Y = 394,745.00; thence continue East 2,537.60 feet to a point having Coordinates of X = 1,637,700.00 and Y =394,745.00; thence South 3,495.00 feet to a point having Coordinates of X = 1,637,700.00 and Y = 391,250.00; thence West 14,900.00 feet to the point of beginning, containing approximately **1,551.83** 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, (South Zone).

NOTE: The maximum primary term for any lease of this tract is three (3) years and further, the aggregate total royalty in leases from the State of Louisiana, LLOG Exploration Company, L.L.C. and Avrico, Inc. on this tract shall not equal less than twenty-five percent (25%). All leases, including the State lease shall contain a paragraph providing that, at the end of the primary term of the lease, Lessee shall release in favor of Lessor all of Lessee's right, title and interest in such lease as to all depths one hundred feet (100') below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at that time.

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.

Bidder	Cash Payment	Price/ Acre	Rental	Oil	Gas	Other



TRACT 36503 - Vermilion Parish, Louisiana

A portion of the entirety of the beds and bottoms embraced within the meander of the shoreline as same existed in 1942, located in any parts of Township 14 South, Ranges 1, 2 and 3 West and 1 East, and Township 15 South, Ranges 1, 2 and 3 West and 1 East, the entirety of said described area being deemed to comprise 50,000 acres, whether actually more or less, not presently under mineral lease from the State on July 14, 2004, and not formerly adjudicated in fee ownership to any party other than the State of Louisiana; which property is subject to the provisions of Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature requiring the successful bidder, within sixty (60) days of obtaining a mineral lease from the State of Louisiana, to obtain additional leases on the same property from LLOG Exploration Company, L.L.C. (successor in title to Energy Development Corp.) and Avrico, Inc. [both successors in title to Acadian Vermilion Rice Irrigation Company, Inc.] containing terms not substantially different from and further containing a bonus and royalty not less than one-half (1/2) of those contained in the lease taken from the State of Louisiana, being more specifically described as follows: Beginning at a point having Coordinates of X = 1,611,507.00 and Y =372,770.00; thence North 10,611.00 feet to the Southwest corner of State Lease No. 18053 having Coordinates of X = 1,611,507.00 and Y = 383,381.00; thence along the boundary of said State Lease No. 18053 the following courses: East approximately 1,116 feet, Northeasterly and Southeasterly to a point having a Coordinates of Y = 383,381.00, East approximately 4,286 feet to its Southeast corner having Coordinates of X = 1,617,632.00 and Y = 383,381.00, and North 3,526.15 feet to its most Easterly Northeast corner, said corner also being a point on the South line of State Lease No. 17057, having Coordinates of X = 1,617,632.00 and Y = 386,907.15; thence along the boundary of said State Lease No. 17057 the following courses: East 2,768.00 feet to its most Southerly Southeast corner having Coordinates of X = 1,620,400.00 and Y = 386,907.15 and North 28 degrees 55 minutes 35 seconds East 4,961.89 feet to its most Easterly Southeast corner, said corner also being the Northwest corner of State Lease No. 18090, having Coordinates of X = 1,622,800.00 and Y = 391,250.00; thence South 7,308.00 feet along the West line of said State Lease No. 18090 to its Southwest corner, said corner also being the Northwest corner of State Lease No. 18091, having Coordinates of X = 1,622,800.00 and Y = 383,942.00; thence South 7,308.00 feet along the West line of said State Lease No. 18091 to its Southwest corner having Coordinates of Х = 1,622,800.00 and Y = 376,634.00; thence South 3,864.00 feet to a point having Coordinates of X = 1,622,800.00 and Y = 372,770.00; thence West 11,293.00 feet to the point of beginning, containing approximately 2,020 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, (South Zone).

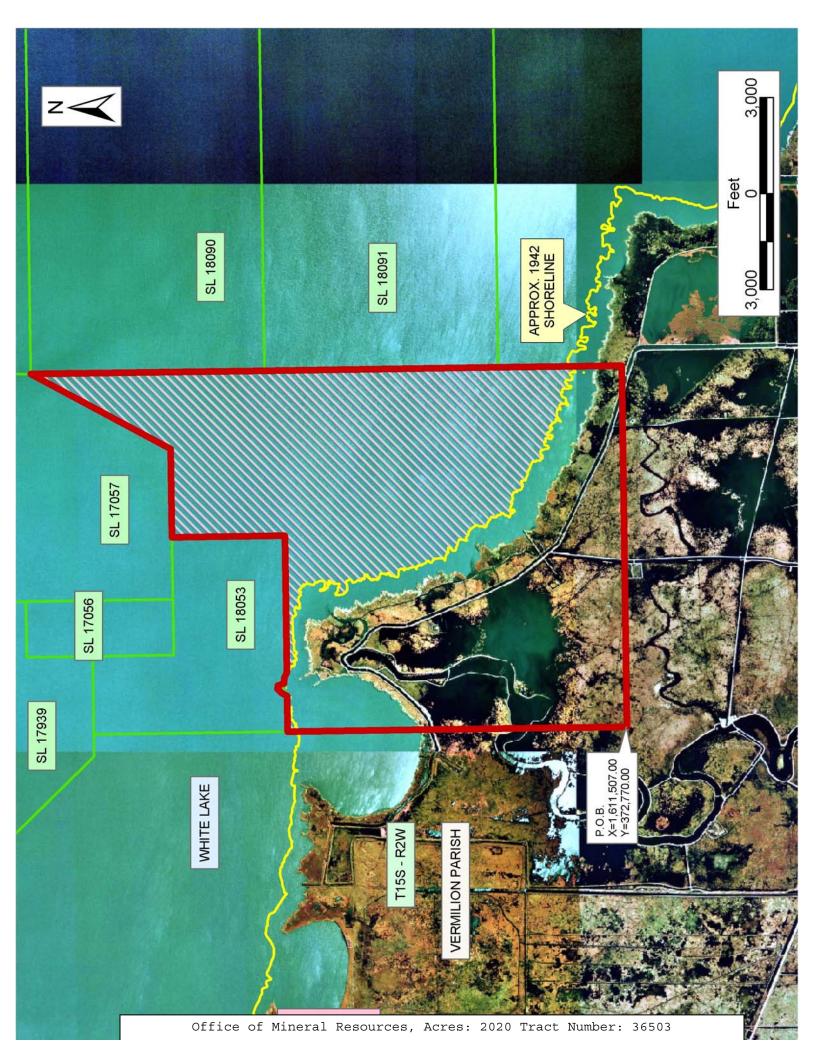
NOTE: The maximum primary term for any lease of this tract is three (3) years and further, the aggregate total royalty in leases from the State of

Louisiana, LLOG Exploration Company, L.L.C. and Avrico, Inc. on this tract shall not equal less than twenty-five percent (25%). All leases, including the State lease shall contain a paragraph providing that, at the end of the primary term of the lease, Lessee shall release in favor of Lessor all of Lessee's right, title and interest in such lease as to all depths one hundred feet (100') below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at that time.

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 Lessor prior to such modification, cancellation, paid by the 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 Commissions, for purpose of implementing, and the sole 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.

Bidder	Cash Payment	Price/ Acre	Rental	Oil	Gas	Other



TRACT 36504 - Cameron and Vermilion Parishes, Louisiana

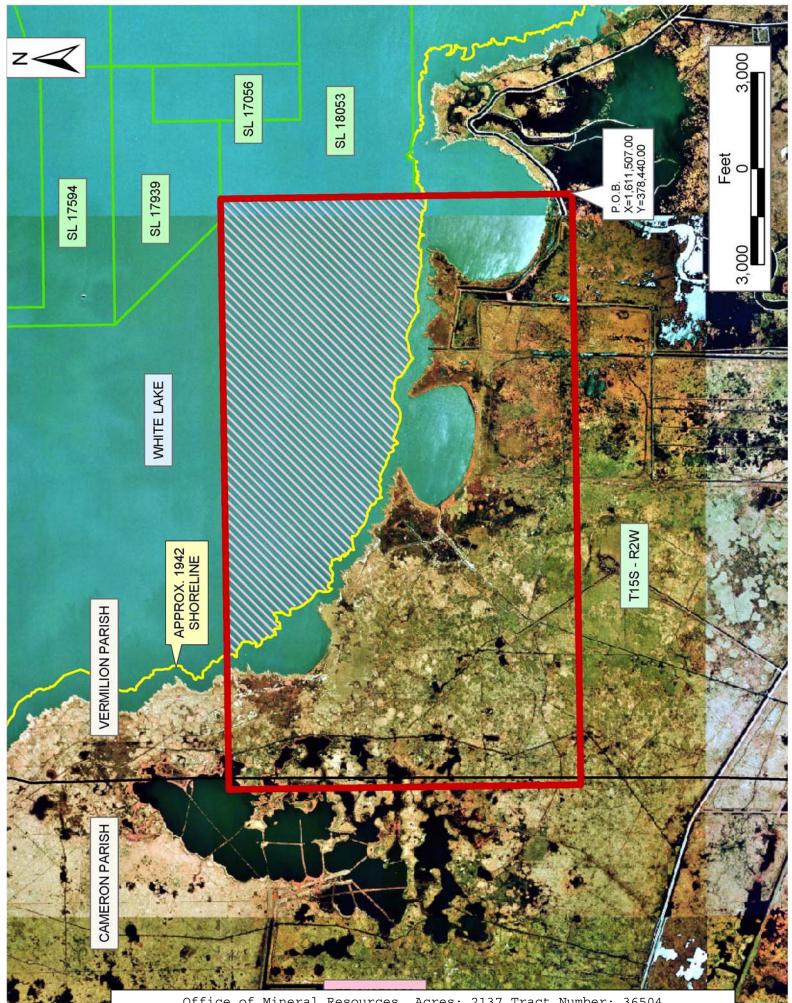
A portion of the entirety of the beds and bottoms embraced within the meander of the shoreline as same existed in 1942, located in any parts of Township 14 South, Ranges 1, 2 and 3 West and 1 East, and Township 15 South, Ranges 1, 2 and 3 West and 1 East, the entirety of said described area being deemed to comprise 50,000 acres, whether actually more or less, not presently under mineral lease from the State on July 14, 2004, and not formerly adjudicated in fee ownership to any party other than the State of Louisiana; which property is subject to the provisions of Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature requiring the successful bidder, within sixty (60) days of obtaining a mineral lease from the State of Louisiana, to obtain additional leases on the same property from LLOG Exploration Company, L.L.C. (successor in title to Energy Development Corp.) and Avrico, Inc. [both successors in title to Acadian Vermilion Rice Irrigation Company, Inc.] containing terms not substantially different from and further containing a bonus and royalty not less than one-half (1/2) of those contained in the lease taken from the State of Louisiana, being more specifically described as follows: Beginning at a point having Coordinates of X = 1,611,507.00 and Y =378,440.00; thence West 18,480.00 feet to a point having Coordinates of X = 1,593,027.00 and Y = 378,440.00; thence North 11,000.00 feet to a point having Coordinates of X = 1,593,027.00 and Y = 389,440.00; thence East 17,783.00 feet to the Southwest corner of State Lease No. 17939 having Coordinates of X = 1,610,810.00 and Y = 389,440.00; thence East 697.00 feet along the South line of said State Lease No. 17939 to the Northwest corner of State Lease No. 18053 having Coordinates of X = 1,611,507.00 and Y = 389,440.00; thence South 6,059.00 feet along the West line of said State Lease No. 18053 to its Southwest corner having Coordinates of X = 1,611,507.00 and Y = 383,381.00; thence South 4,941.00 feet to the point beginning, containing approximately 2,137 acres, all of 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, (South Zone).

NOTE: The maximum primary term for any lease of this tract is three (3) years and further, the aggregate total royalty in leases from the State of Louisiana, LLOG Exploration Company, L.L.C. and Avrico, Inc. on this tract shall not equal less than twenty-five percent (25%). All leases, including the State lease shall contain a paragraph providing that, at the end of the primary term of the lease, Lessee shall release in favor of Lessor all of Lessee's right, title and interest in such lease as to all depths one hundred feet (100') below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at that time.

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.

Cash	Price/	Rental	Oil	Gas	Other
Payment	Acre				
	Cash Payment		Cash Price/ Rental Payment Acre	Cash PaymentPrice/ AcreRentalOilOilIIIIIIIIIIIIII	Cash PaymentPrice/ AcreRentalOilGasImage: GasImage: GasImag



TRACT 36505 - Vermilion Parish, Louisiana

A portion of the entirety of the beds and bottoms embraced within the meander of the shoreline as same existed in 1942, located in any parts of Township 14 South, Ranges 1, 2 and 3 West and 1 East, and Township 15 South, Ranges 1, 2 and 3 West and 1 East, the entirety of said described area being deemed to comprise 50,000 acres, whether actually more or less, not presently under mineral lease from the State on July 14, 2004, and not formerly adjudicated in fee ownership to any party other than the State of Louisiana; which property is subject to the provisions of Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature requiring the successful bidder, within sixty (60) days of obtaining a mineral lease from the State of Louisiana, to obtain additional leases on the same property from LLOG Exploration Company, L.L.C. (successor in title to Energy Development Corp.) and Avrico, Inc. [both successors in title to Acadian Vermilion Rice Irrigation Company, Inc.] containing terms not substantially different from and further containing a bonus and royalty not less than one-half (1/2) of those contained in the lease taken from the State of Louisiana, being more specifically described as follows: Beginning at the Southwest corner of State Lease No. 18091 having Coordinates of X = 1,622,800.00 and Y = 376,634.00; thence East 11,794.67 feet along the South Boundary of said State Lease No. 18091 to it's Southeast corner having Coordinates of X = 1,634,594.67and Υ = 376,634.00; thence South 05 degrees 14 minutes 28 seconds West 838.76 feet to a point having Coordinates of X = 1,634,518.05 and Y = 375,798.75; thence South 89 degrees 57 minutes 59 seconds East 3,181.95 feet to a point having Coordinates of X = 1,637,700.00 and Y = 375,796.88; thence South 6,470.88 feet to a point having Coordinate of X = 1,637,700.00 and Y = 369,326.00; thence West approximately 9,535.00 feet to a point on the 1942 Shoreline of White Lake; thence Northerly and Westerly along said Shoreline to a point having a Coordinate of X = 1,622,800.00; thence North Point of approximately 2,240.00 feet to the Beginning, containing approximately 1,935.00 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, (South Zone).

NOTE: The maximum primary term for any lease of this tract is three (3) years and further, the aggregate total royalty in leases from the State of Louisiana, LLOG Exploration Company, L.L.C. and Avrico, Inc. on this tract shall not equal less than twenty-five percent (25%). All leases, including the State lease shall contain a paragraph providing that, at the end of the primary term of the lease, Lessee shall release in favor of Lessor all of Lessee's right, title and interest in such lease as to all depths one hundred feet (100') below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at that time.

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.

Bidder	Cash	Price/	Rental	Oil	Gas	Other
	Payment	Acre				



