

# SPECIAL NOTICE

On Wednesday, June 8, 2005, the Office of Mineral Resources on behalf of the State Mineral Board advertised in Notice of Publication for receipt of sealed bids on or before **12:00 o'clock p.m. on Tuesday, July 12, 2005**, for State Leases to be awarded upon **Tract Nos. 37488 through 37635**, inclusive at its **July 13, 2005** Lease Sale. Within said advertisement was an incorrect description for **Tract No. 37633 St. Bernard Parish**. By virtue of this public notice, **Tract No. 37633** in St. Bernard Parish, Louisiana is hereby corrected as follows:

## **TRACT 37633 - St. Bernard Parish, Louisiana**

All of the mineral rights only under land adjudicated to and acquired by the State of Louisiana in and through a proper tax sale, and subsequently alienated by the State which retained the mineral rights thereto, and which is not under valid mineral lease from the State of Louisiana on July 13, 2005, situated in St. Bernard Parish, Louisiana, and being more fully described as follows: Beginning at a point having Coordinates of X = 2,599,198.00 and Y = 484,654.00; thence West 7,896.00 feet to the Southeast corner of State Lease No. 18280 having Coordinates of X = 2,591,302.00 and Y = 484,654.00; thence along the boundary of said State Lease No. 18280 the following courses: North 3,359.00 feet, West 4,175.00 feet, and South 3,359.00 feet to its Southwest corner having Coordinates of X = 2,587,127.00 and Y = 484,654.00; thence West 6,001.00 feet to a point having Coordinates of X = 2,581,126.00 and Y = 484,654.00; thence North 11,724.00 feet to a point having Coordinates of X = 2,581,126.00 and Y = 496,378.00; thence North 86 degrees 18 minutes 53 seconds East 6,031.47 feet to a point on the West line of State Lease No. 18278 having Coordinates of X = 2,587,145.00 and Y = 496,765.68; thence South 999.65 feet on the West line of said State Lease No. 18278 to its Southwest corner and the Northwest corner of State Lease No. 18281 having Coordinates of X = 2,587,145.00 and Y = 495,766.03; thence along the boundary of said State Lease No. 18281 the following courses: South 1,212.03 feet and East 5,203.00 feet to its Southeast corner and a point on the West line of State Lease No. 18279 having Coordinates of X = 2,592,348.00 and Y = 494,554.00; thence along the boundary of said State Lease No. 18279 the following courses: South 4,380.00 feet and East 6,850.00 feet to a point having Coordinates of X = 2,599,198.00 and Y = 490,174.00; thence South 5,520.00 feet to the point of beginning, containing approximately **1,612 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

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

NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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

NOTE: No surface operations will be conducted on the property without prior written consent from surface owners.

Applicant: KARE-SUE ENERGY, INC.

Bidder	Cash Payment	Price/ Acre	Rental	Oil	Gas	Other



