

TRACT 37521 - Portion of Block 7, North Lake Borgne Area, St. Bernard 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 13, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point on the East line of Block 7, North Lake Borgne Area, having Coordinates of X = 2,589,250.00 and Y = 522,996.00; thence South 7,599.00 feet on the East line of said Block 7 and a projection thereof to a point on the North line of State Lease No. 18247 having Coordinates of X = 2,589,250.00 and Y = 515,397.00; thence along the boundary of said State Lease No. 18247 the following courses and distances: West 2,170.00 feet and South 4,935.00 feet to the Southwest corner of said State Lease No. 18247 having Coordinates of X = 2,587,080.00 and Y = 510,462.00; thence West 1,242.00 feet to the Northeast corner of State Lease No. 18250 having Coordinates of X = 2,585,838.00 and Y = 510,462.00; thence West 5,434.00 feet along the North line of said State Lease No. 18250 to its Northwest corner having Coordinates of X = 2,580,404.00 and Y = 510,462.00; thence West 1,679.61 feet to a point having Coordinates of X = 2,578,724.39 and Y = 510,462.00; thence North 7,506.90 feet to a point having Coordinates of X = 2,578,724.39 and Y = 517,968.90; thence West 1,214.39 feet to a point having Coordinates of X = 2,577,510.00 and Y = 517,968.90; thence North 5,027.10 feet to a point within said Block 7, having Coordinates of X = 2,577,510.00 and Y = 522,996.00; thence East 11,740.00 feet to the point of beginning, containing approximately **2,205 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: 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: KARE-SUE ENERGY, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



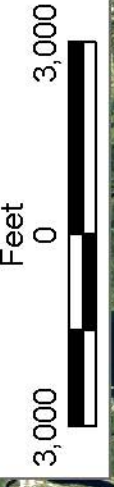
BLOCK LB0012

P.O.B.
X=2,589,250.00
Y=522,996.00

LE PETIT
PASS

SL 18247

T11S - R17E



BAYOU
LA FEE

ST BERNARD PARISH

NORTH LAKE BORGNE AREA

BLOCK LB0007



SL 18250

SL 18277

SL 18254

LAKE BORGNE

BLOCK LB0004

BLOCK LB0005

BLOCK LB0006

TRACT 37522 - St. Bernard 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 13, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,607,250.00 and Y = 504,512.00; thence North 10,327.00 feet to a point having Coordinates of X = 2,607,250.00 and Y = 514,839.00; thence East 13,350.00 feet to a point having Coordinates of X = 2,620,600.00 and Y = 514,839.00; thence South 10,327.00 feet to a point having Coordinates of X = 2,620,600.00 and Y = 504,512.00; thence West 1,354.00 feet to the Southeast corner of State Lease No. 18253 having Coordinates of X = 2,619,246.00 and Y = 504,512.00; thence North 3,000.00 feet along the East line of said State Lease No. 18253 to its Northeast corner, also being the Southeast corner of State Lease No. 18249 having Coordinates of X = 2,619,246.00 and Y = 507,512.00; thence along the boundary of said State Lease No. 18249 the following courses and distances: North 1,912.00 feet, West 4,730.00 feet and South 1,912.00 feet to the Southwest corner of said State Lease No. 18249, also being the Northwest corner of said State Lease No. 18253 having Coordinates of X = 2,614,516.00 and Y = 507,512.00; thence South 3,000.00 feet along the West line of said State Lease No. 18253 to its Southwest corner having Coordinates of X = 2,614,516.00 and Y = 504,512.00; thence West 7,266.00 feet to the point of beginning, containing approximately **2,451 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.

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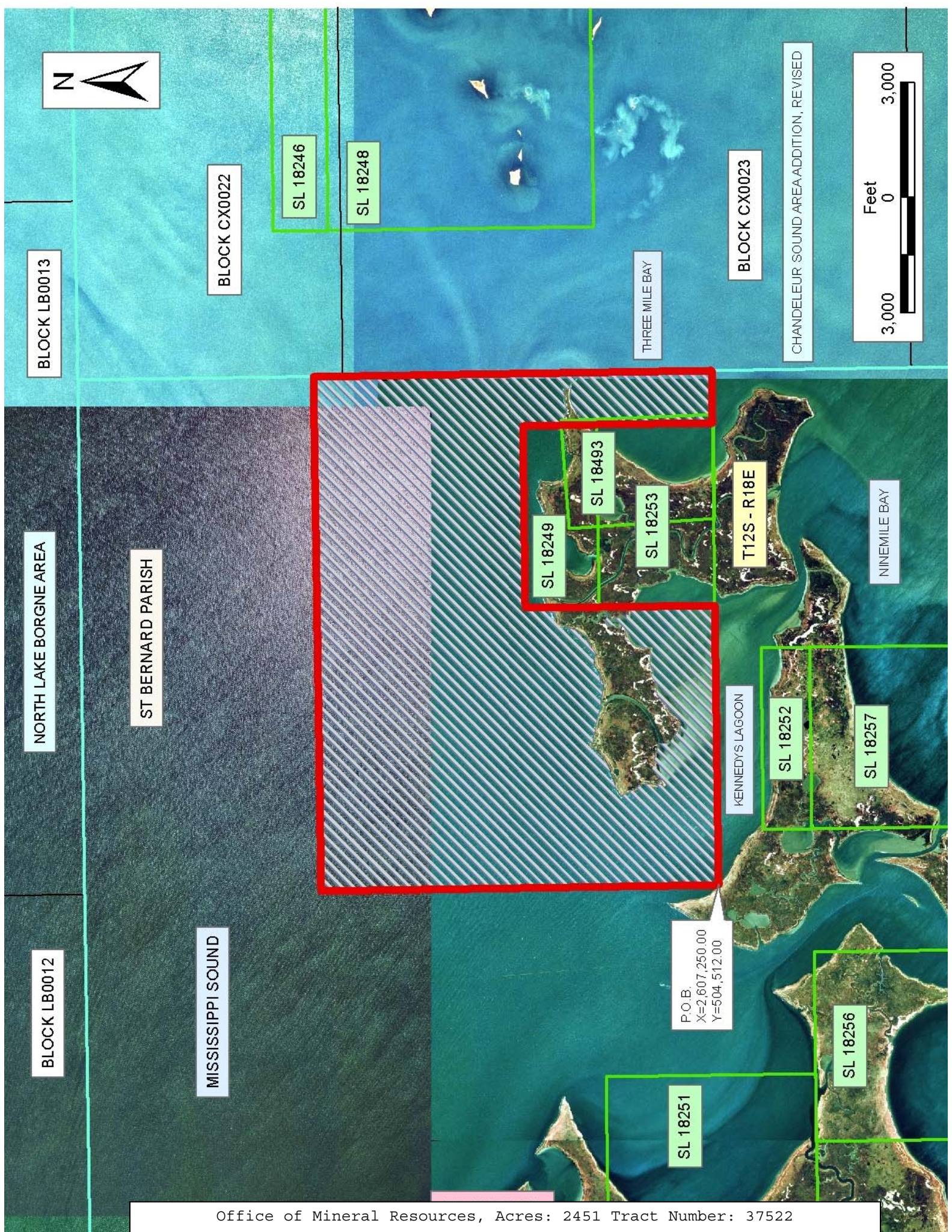
NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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: 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: KARE-SUE ENERGY, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



BLOCK LB0013

BLOCK CX0022

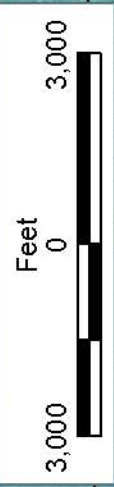
SL 18246

SL 18248

THREE MILE BAY

BLOCK CX0023

CHANDELEUR SOUND AREA ADDITION, REVISED



NORTH LAKE BORGNE AREA

ST BERNARD PARISH

SL 18249

SL 18493

SL 18253

T12S - R18E

NINEMILE BAY

KENNEDY'S LAGOON

SL 18252

SL 18257

BLOCK LB0012

MISSISSIPPI SOUND

P.O.B.
X=2,607,250.00
Y=504,512.00

SL 18251

SL 18256

TRACT 37523 - St. Bernard 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 13, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,607,250.00 and Y = 496,636.00; thence West 1,777.00 feet to the Southeast corner of State Lease No. 18256 having Coordinates of X = 2,605,473.00 and Y = 496,636.00; thence along the boundary of said State Lease No. 18256 the following courses and distances: North 5,438.00 feet and West 3,147.00 feet to a point on the North line of said State Lease No. 18256, also being the Southeast corner of State Lease No. 18251 having Coordinates of X = 2,602,326.00 and Y = 502,074.00; thence along the boundary of said State Lease No. 18251 the following courses and distances: North 5,438.00 feet, West 4,442.00 feet and South 04 degrees 35 minutes 40 seconds East 5,455.53 feet to the Southwest corner of said State Lease No. 18251 having Coordinates of X = 2,598,321.00 and Y = 502,074.00; thence West 5,973.00 feet to a point having Coordinates of X = 2,592,348.00 and Y = 502,074.00; thence North 8,388.00 feet to a point on the South line of State Lease No. 18247 having Coordinates of X = 2,592,348.00 and Y = 510,462.00; thence along the boundary of said State Lease No. 18247 the following courses and distances: East 809.00 feet and North 434.00 feet to a point on the East line of said State Lease No. 18247 having Coordinates of X = 2,593,157.00 and Y = 510,896.00; thence East 14,093.00 feet to a point having Coordinates of X = 2,607,250.00 and Y = 510,896.00; thence South 14,260.00 feet to the point of beginning, containing approximately **1,565 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.

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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: 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: KARE-SUE ENERGY, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



ST BERNARD PARISH

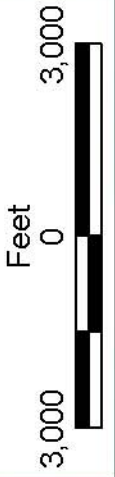
BAY BOUDREAU

KENNEDY'S LAGOON

SL 18252

SL 18257

P.O.B.
X=2,607,250.00
Y=496,636.00



NINEMILE BAYOU

T12S - R18E

SL 18256

FALSE MOUTH BAY

SL 18457

BLIND BAY

SL 18251

SL 18279



SL 18157



SL 18247

T11S - R17E

MOSQUITO INLET

T12S - R17E

SL 18255

SL 18278

SL 18436

TRACT 37524 - St. Bernard 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 13, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,592,348.00 and Y = 502,074.00; thence West 10,911.14 feet to a point on the boundary of the Biloxi Wildlife Management Area having Coordinates of X = 2,581,436.86 and Y = 502,074.00; thence along the boundary of the said Biloxi Wildlife Management Area the following courses and distances: North 01 degrees 14 minutes 31 seconds West 634.99 feet and Southwesterly to a point on the boundary of the said Biloxi Wildlife Management Area having a point of intersection with a North South line having a Coordinate of X = 2,577,510.00; thence North approximately 2,976 feet to a point having Coordinates of X = 2,577,510.00 and Y = 502,225.00; thence East 1,214.39 feet to a point having Coordinates of X = 2,578,724.39 and Y = 502,225.00; thence North 8,237.00 feet to a point having Coordinates of X = 2,578,724.39 and Y = 510,462.00; thence East 1,679.61 feet to the Northwest corner of State Lease No. 18250 having Coordinates of X = 2,580,404.00 and Y = 510,462.00; thence South 3,647.84 feet along the West line of said State Lease No. 18250 to its Southwest corner, also being the Northwest corner of State Lease No. 18254 having Coordinates of X = 2,580,404.00 and Y = 506,814.16; thence along the boundary of said State Lease No. 18254 the following courses and distances: South 1,658.16 feet, East 5,434.00 feet and North 1,785.84 feet to the Northeast corner of said State Lease No. 18254, also being the Southeast corner of said State Lease No. 18250 having Coordinates of X = 2,585,838.00 and Y = 506,941.84; thence North 3,520.16 feet along the East line of said State Lease No. 18250 to its Northeast corner having Coordinates of X = 2,585,838.00 and Y = 510,462.00; thence East 1,242.00 feet to the Southwest corner of State Lease No. 18247 having Coordinates of X = 2,587,080.00 and Y = 510,462.00; thence East 5,268.00 feet along the South line of said State Lease No. 18247 to a point having Coordinates of X = 2,592,348.00 and Y = 510,462.00; thence South 8,388.00 feet to the point of beginning, **LESS AND EXCEPT** any portion of the Biloxi Wildlife Management Area that may lie within the above described tract, containing approximately **867 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.

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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: 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: KARE-SUE ENERGY, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



P.O.B.
X=2,592,348.00
Y=502,074.00

MOSQUITO
INLET

BAYOU
LA FEE

BILOXI WMA

LAKE BORGNE

NORTH LAKE BORGNE AREA

ST BERNARD PARISH

BLOCK
LB0005

BLOCK
LB0006

Office of Mineral Resources, Acres: 867 Tract Number: 37524

SL 18247

T11S - R17E

SL 18250

SL 18277

SL 18254

SL 18255

T12S - R17E

SL 18436

TRACT 37525 - St. Bernard 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 13, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,607,250.00 and Y = 496,636.00; thence North 7,876.00 feet to a point having Coordinates of X = 2,607,250.00 and Y = 504,512.00; thence East 7,266.00 feet to the Southwest corner of State Lease No. 18253 having Coordinates of X = 2,614,516.00 and Y = 504,512.00; thence East 4,730.00 feet along the South line of said State Lease No. 18253 to its Southeast corner having Coordinates of X = 2,619,246.00 and Y = 504,512.00; thence East 1,354.00 feet to a point having Coordinates of X = 2,620,600.00 and Y = 504,512.00; thence South 7,876.00 feet to a point having Coordinates of X = 2,620,600.00 and Y = 496,636.00; thence West 13,350.00 feet to the point of beginning, **LESS AND EXCEPT**, any portion of State Lease No. 18252 and State Lease No. 18257 that lies within the following described boundaries: Beginning at the Northwest corner of State Lease No. 18252 having Coordinates of X = 2,608,684.00 and Y = 503,331.00; thence along the boundary of said State Lease No. 18252 the following courses and distances: East 4,703.00 feet and South 1,257.00 feet to the Southeast corner of said State Lease No. 18252, also being the Northeast corner of State Lease No. 18257 having Coordinates of X = 2,613,387.00 and Y = 502,074.00; thence along the boundary of said State Lease No. 18257 the following courses and distances: South 3,795.00 feet, West 4,703.00 feet and North 3,795.00 feet to the Northwest corner of said State Lease No. 18257, also being the Southwest corner of said State Lease No. 18252 having Coordinates of X = 2,608,684.00 and Y = 502,074.00; thence North 1,257.00 feet along the West line of said State Lease No. 18257 to the point of beginning, containing approximately **1,411 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.

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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.

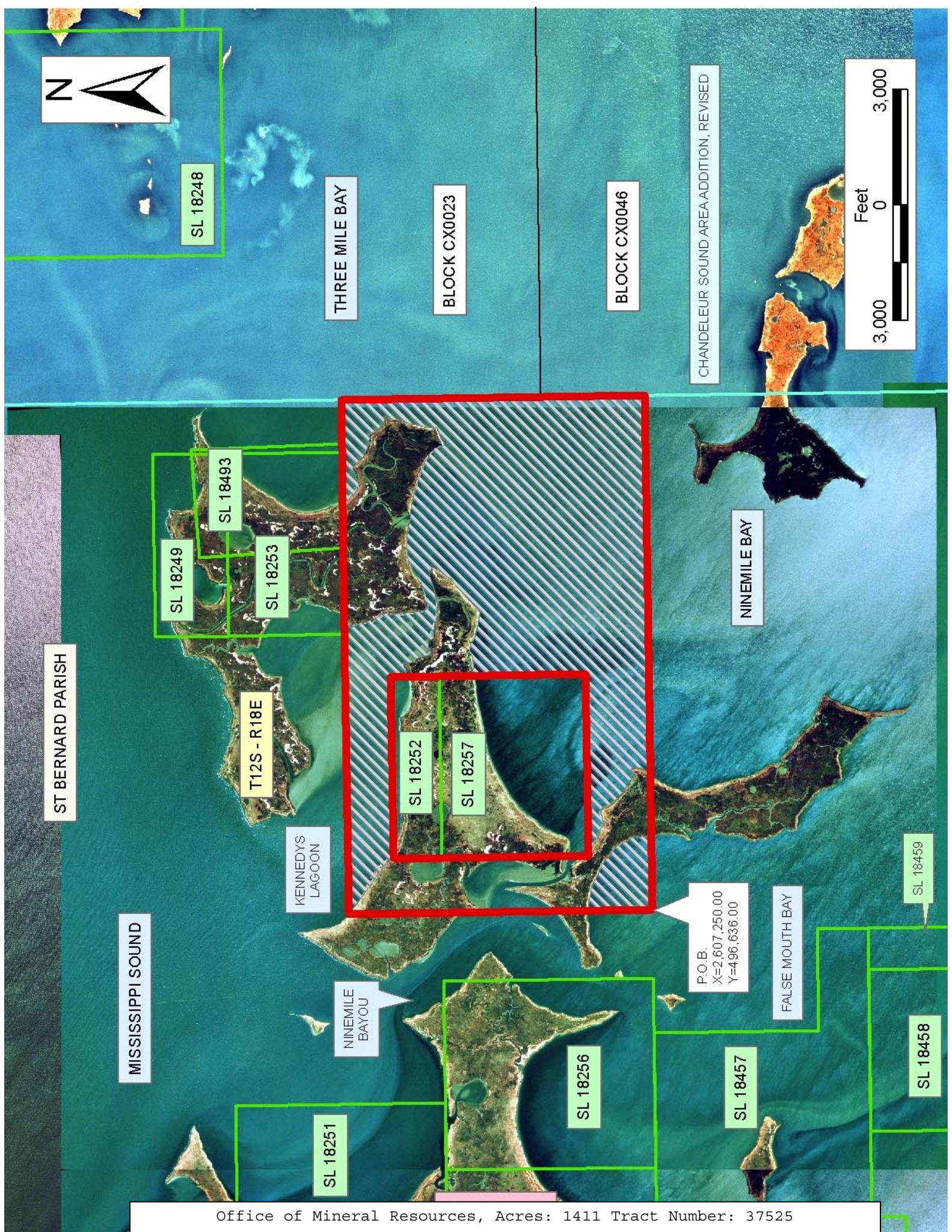
NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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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: KARE-SUE ENERGY, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



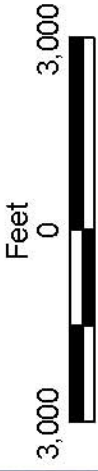
SL 18248

THREE MILE BAY

BLOCK CX0023

BLOCK CX0046

CHANDELEUR SOUND AREA ADDITION, REVISED



ST BERNARD PARISH

SL 18249

SL 18493

SL 18253

T12S - R18E

KENNEDY'S LAGOON

SL 18252

SL 18257

NINEMILE BAY

MISSISSIPPI SOUND

NINEMILE BAYOU

P.O.B.
X=-2,607,250.00
Y=-496,636.00

FALSE MOUTH BAY

SL 18251

SL 18256

SL 18457

SL 18458

SL 18459

TRACT 37526 - St. Bernard 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 13, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,592,348.00 and Y = 502,074.00; thence East 5,973.00 feet to the Southwest corner of State Lease No. 18251 having Coordinates of X = 2,598,321.00 and Y = 502,074.00; thence East 2,250.00 feet along the South line of said State Lease No. 18251 to a point, also being the Northwest corner of State Lease No. 18256 having Coordinates of X = 2,600,571.00 and Y = 502,074.00; thence South 5,438.00 feet along the West line of said State Lease No. 18256 to its Southwest corner, also being a point on the North line of State Lease No. 18457 having Coordinates of X = 2,600,571.00 and Y = 496,636.00; thence along the boundary of said State Lease No. 18457 the following courses and distances: West 1,813.00 feet and South 5,266.89 feet to the most Westerly Southwest corner of said State Lease No. 18457, also being a point on the boundary of the Biloxi Wildlife Management Area having Coordinates of X = 2,598,758.00 and Y = 491,369.11; thence South 87 degrees 44 minutes 53 seconds West 994.52 feet along the boundary of the said Biloxi Wildlife Management Area to a point, also being the Southeast corner of State Lease No. 18157 having Coordinates of X = 2,597,764.25 and Y = 491,330.03; thence along the boundary of said State Lease No. 18157 the following courses and distances: North 5,305.97 feet and West 5,199.65 feet to the Northwest corner of said State Lease No. 18157, also being the Northeast corner of State Lease No. 18436 having Coordinates of X = 2,592,564.60 and Y = 496,636.00; thence West 216.60 feet along the North line of said State Lease No. 18436 to a point, also being the Southeast corner of State Lease No. 18255 having Coordinates of X = 2,592,348.00 and Y = 496,636.00; thence North 3,465.00 feet along the East line of said State Lease No. 18255 to its Northeast corner having Coordinates of X = 2,592,348.00 and Y = 500,101.00; thence North 1,973.00 feet to the point of beginning, **LESS AND EXCEPT** any portion of the Biloxi Wildlife Management Area that may lie within the above described tract, containing approximately **403 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.

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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.

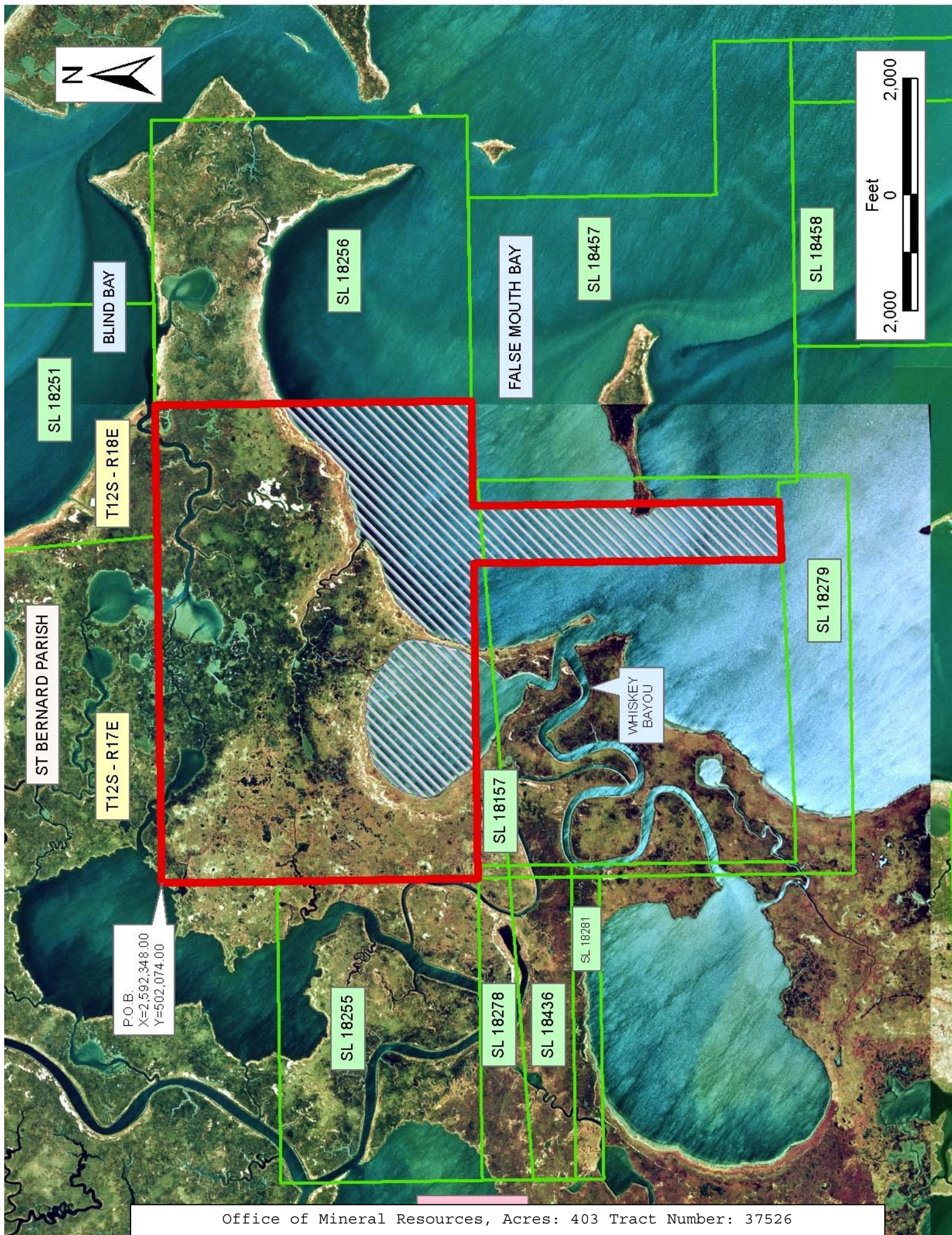
NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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: 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: KARE-SUE ENERGY, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



BLIND BAY

SL 18251

T12S - R18E

SL 18256

FALSE MOUTH BAY

SL 18457

SL 18458



ST BERNARD PARISH

T12S - R17E

P.O.B.
X=2,592,348.00
Y=502,074.00

SL 18255

SL 18278

SL 18436

SL 18281

WHISKEY BAYOU

SL 18157

SL 18279

TRACT 37527 - St. Bernard 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 13, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,592,348.00 and Y = 502,074.00; thence South 1,973.00 feet to the Northeast corner of State Lease No. 18255 having Coordinates of X = 2,592,348.00 and Y = 500,101.00; thence along the boundary of said State Lease No. 18255 the following courses and distances: West 5,203.00 feet and South 3,465.00 feet to the Southwest corner of said State Lease No. 18255, also being the Northwest corner of State Lease No. 18436 having Coordinates of X = 2,587,145.00 and Y = 496,636.00; thence along the boundary of said State Lease No. 18436 the following courses and distances: South 1,610.00 feet and East 5,419.60 feet to the Southeast corner of said State Lease No. 18436, also being a point on the West line of State Lease No. 18157 having Coordinates of X = 2,592,564.60 and Y = 495,026.00; thence South 3,856.73 feet along the West line of said State Lease No. 18157 to its Southwest corner having Coordinates of X = 2,592,564.60 and Y = 491,169.27; thence West 9,553.02 feet to a point having Coordinates of X = 2,583,011.58 and Y = 491,169.27; thence North 02 degrees 18 minutes 30 seconds West 5,021.35 feet to a point on the boundary of the Biloxi Wildlife Management Area having Coordinates of X = 2,582,809.34 and Y = 496,186.54; thence along the boundary of the said Biloxi Wildlife Management Area the following courses and distances: North 14 degrees 00 minutes 47 seconds West 5,630.08 feet and North 01 degrees 14 minutes 31 seconds West 425.02 feet to a point on the boundary of the Biloxi Wildlife Management Area having Coordinates of X = 2,581,436.86 and Y = 502,074.00; thence East 10,911.14 feet to the point of beginning, **LESS AND EXCEPT** any portion of the Biloxi Wildlife Management Area that may lie within the above described tract, containing approximately **644 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: 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: KARE-SUE ENERGY, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



TRACT 37528 - St. Bernard 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 13, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,607,250.00 and Y = 496,636.00; thence East 13,350.00 feet to a point having Coordinates of X = 2,620,600.00 and Y = 496,636.00; thence South 8,146.33 feet to a point having Coordinates of X = 2,620,600.00 and Y = 488,489.67; thence West 13,350.00 feet to a point having Coordinates of X = 2,607,250.00 and Y = 488,489.67; thence North 8,146.33 feet to the point of beginning, containing approximately **2,173 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: 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: KARE-SUE ENERGY, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

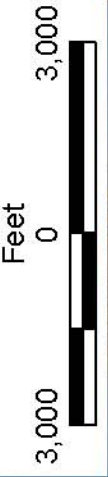


BLOCK CX0023

BLOCK CX0046

CHANDELEUR SOUND AREA ADDITION, REVISED

BLOCK CX0047



ST BERNARD PARISH

T12S - R18E

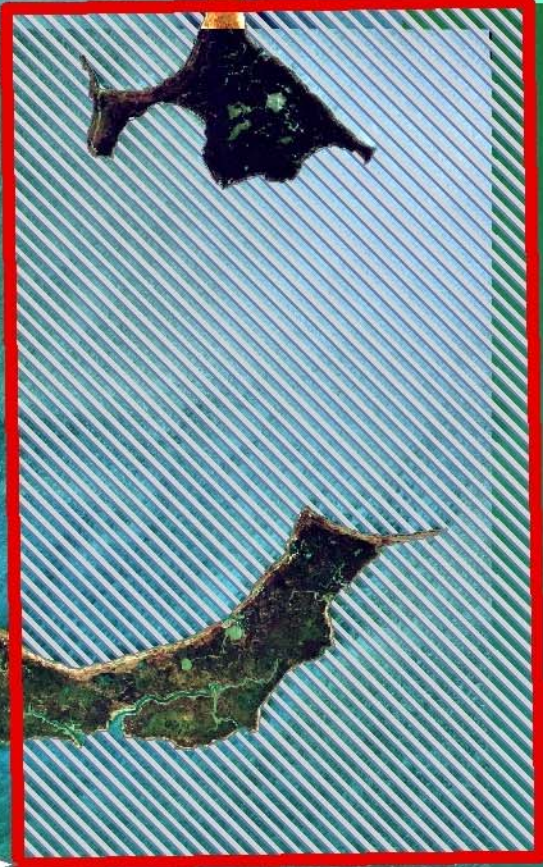
NINEMILE BAY

BAY BOUDREAU

SL 18252

SL 18257

P.O.B.
X=2,607,250.00
Y=4,96,636.00



SL 18251

SL 18256

FALSE MOUTH BAY

SL 18457

SL 18458

SL 18459

TRACT 37529 - St. Bernard 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 13, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,607,250.00 and Y = 496,636.00; thence South 16,303.33 feet to a point having Coordinates of X = 2,607,250.00 and Y = 480,332.67; thence West 7,737.94 feet to a point on the Biloxi Wildlife Management Area having Coordinates of X = 2,599,512.06 and Y = 480,332.67; thence along the boundary of the said Biloxi Wildlife Management Area the following courses and distances: South 89 degrees 43 minutes 31 seconds West 5,620.61 feet and North 01 degrees 50 minutes 25 seconds West 4,226.22 feet to the Southeast corner of State Lease No. 17976 having Coordinates of X = 2,593,755.79 and Y = 484,529.78; thence North 01 degrees 50 minutes 05 seconds West 999.95 feet along the East line of said State Lease No. 17976 to its Northeast corner, also being the Southeast corner of State Lease No. 17951 and a point on the Biloxi Wildlife Management Area having Coordinates of X = 2,593,723.77 and Y = 485,529.22; thence along the boundary of the said Biloxi Wildlife Management Area the following courses and distances: North 88 degrees 52 minutes 24 seconds East 5,638.44 feet and North 02 degrees 48 minutes 33 seconds West 5,413.43 feet to the Southernmost Southwest corner of State Lease No. 18457 and a point on the said Biloxi Wildlife Management Area having Coordinates of X = 2,599,095.81 and Y = 491,047.00; thence East 2,316.44 feet on the South boundary of said State Lease No. 18457 to the Northwest corner of State Lease No. 18458 having Coordinates of X = 2,601,412.25 and Y = 491,047.00; thence along the boundary of said State Lease No. 18458 the following courses and distances: South 3,960.00 feet and East 4,198.25 feet to the Southeast corner of said State Lease No. 18458, also being the Southwest corner of State Lease No. 18459 having Coordinates of X = 2,605,610.50 and Y = 487,087.00; thence along the boundary of said State Lease No. 18459 the following courses and distances: East 1,081.74 feet and North 3,960.00 feet to the Northeast corner of said State Lease No. 18459, also being the Southeast corner of said State Lease No. 18457 having Coordinates of X = 2,606,692.24 and Y = 491,047.00; thence along the boundary of said State Lease No. 18457 the following courses and distances: North 1,320.00 feet, West 2,640.00 feet and North 4,269.00 feet to the Northeast corner of said State Lease No. 18457, also being a point on the South line of State Lease No. 18256 having Coordinates of X = 2,604,052.24 and Y = 496,636.00; thence East 1,420.76 feet along the South line of said State Lease No. 18256 to its Southeast corner having Coordinates of X = 2,605,473.00 and Y = 496,636.00; thence East 1,777.00 feet to the point of beginning, **LESS AND EXCEPT** any portion of the Biloxi Wildlife Management Area that may lie within the above described tract, containing approximately **2,167 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.

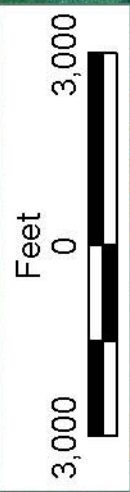
NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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: 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: KARE-SUE ENERGY, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



P.O.B.
X=2,607,250.00
Y=4,96,636.00

SL 18257

BAY BOUDREAU



SL 18256

SL 18457

FALSE MOUTH BAY

SL 18458

SL 18459

T12S - R18E

SL 17954

ST BERNARD PARISH

T12S - R17E

SL 18157

SL 18279

BILOXI WMA

BILOXI WMA

SL 18255

SL 18278

SL 18281

SL 18436

SL 17951

SL 17976

SL 18273

BILOXI WMA

BOBS LAKES

SL 18280

TRACT 37530 - St. Bernard 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 13, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point on the boundary of the Biloxi Wildlife Management Area having Coordinates of X = 2,582,809.34 and Y = 496,186.54; thence South 02 degrees 18 minutes 30 seconds East 5,492.58 feet to a point on the Biloxi Wildlife Management Area having Coordinates of X = 2,583,030.56 and Y = 490,698.43; thence along the boundary of the Biloxi Wildlife Management Area the following courses and distances: South 88 degrees 14 minutes 02 seconds West 2,650.32 feet to the Northeast corner of State Lease No. 17975, also being a point on the Biloxi Wildlife Management Area having Coordinates of X = 2,580,381.50 and Y = 490,616.74; thence along the boundary of said State Lease No. 17975 and the said Biloxi Wildlife Management Area the following courses and distances: South 88 degrees 14 minutes 02 seconds West 543.93 feet and South 86 degrees 30 minutes 57 seconds West 2,027.90 feet to the Northwest corner of said State Lease No. 17975, also being the Northeast corner of State Lease No. 17770 and a point on the East boundary of State Lease No. 17769 and a point on the boundary of said Biloxi Wildlife Management Area having Coordinates of X = 2,577,813.68 and Y = 490,476.73; thence along the East boundary of said State Lease No. 17769 and the said Biloxi Wildlife Management Area the following courses and distances: North 02 degrees 52 minutes 58 seconds West 5,341.39 feet, North 03 degrees 50 minutes 37 seconds West 123.80 feet and North 87 degrees 16 minutes 02 seconds East 5,278.59 feet to the point of beginning, **LESS AND EXCEPT** any portion of the Biloxi Wildlife Management Area that may lie within the above described tract, containing approximately **492 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: 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: KARE-SUE ENERGY, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

