

TRACT 37695 - Portion of Block 48, Chandeleur Sound Addition Area, Revised, 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 August 10, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the Northwest corner of Block 48, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,635,350.00 and Y = 484,580.00; thence East 12,533.50 feet along the North line of said Block 48 to a point, also being the Northwest corner of State Lease No. 18322 having Coordinates of X = 2,647,883.50 and Y = 484,580.00; thence along the boundary of said State Lease No. 18322 the following courses and distances: South 1,069.50 feet and East 2,216.50 feet to the Southeast corner of said State Lease No. 18322, also being a point on the East line of said Block 48 having Coordinates of X = 2,650,100.00 and Y = 483,510.50; thence South 6,305.50 feet along the East line of said Block 48 to a point having Coordinates of X = 2,650,100.00 and Y = 477,205.00; thence West 14,750.00 feet to a point on the West line of said Block 48 having Coordinates of X = 2,635,350.00 and Y = 477,205.00; thence North 7,375.00 feet along the West line of said Block 48 to the point of beginning, containing approximately **2,292 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

CHANDELEUR SOUND AREA ADDITION, REVISED

BLOCK CX0045

P.O.B.
X=2,635,350.00
Y=4,841,580.00

SL 18312

SL 18313

SL 18322

SL 18319

BLOCK CX0048

T13S - R19E

ST BERNARD PARISH



TRACT 37696 - Portion of Block 49, Chandeleur Sound Addition Area, Revised, 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 August 10, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the Northeast corner of Block 49, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,664,850.00 and Y = 484,580.00; thence South 3,191.11 feet along the East line of said Block 49 to a point, also being the Northeast corner of State Lease No. 18318 having Coordinates of X = 2,664,850.00 and Y = 481,388.89; thence along the boundary of said State Lease No. 18318 the following courses and distances: South 89 degrees 44 minutes 51 seconds West 2,018.52 feet and South 4,175.00 feet to the Southwest corner of said State Lease No. 18318 having Coordinates of X = 2,662,831.50 and Y = 477,205.00; thence West 12,731.50 feet to a point on the West line of said Block 49 having Coordinates of X = 2,650,100.00 and Y = 477,205.00; thence North 6,305.50 feet along the West line of said Block 49 to a point, also being the Southwest corner of State Lease No. 18319 having Coordinates of X = 2,650,100.00 and Y = 483,510.50; thence along the boundary of said State Lease No. 18319 the following courses and distances: East 3,350.17 feet and North 1,069.50 feet to the Northeast corner of said State Lease No. 18319, also being a point on the North line of said Block 49 having Coordinates of X = 2,653,450.17 and Y = 484,580.00; thence East 11,399.83 feet along the North line of said Block 49 to the point of beginning, containing approximately **1,774 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



SL 18316

SL 18314

P.O.B.
X=2,664,850.00
Y=484,580.00

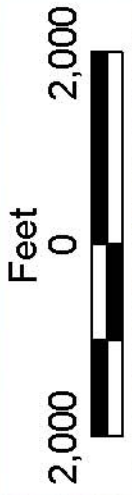
ST BERNARD PARISH

BLOCK CX0044

T12S - R19E

SL 18321

SL 18318



BLOCK CX0049

CHANDELEUR SOUND AREA ADDITION, REVISED

SL 18313

SL 18319

SL 18312

SL 18322

TRACT 37697 - Portion of Block 50, Chandeleur Sound Addition Area, Revised, 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 August 10, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the Northwest corner of Block 50, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,664,850.00 and Y = 484,580.00; thence East 3,958.00 feet along the North line of said Block 50 to a point having Coordinates of X = 2,668,808.00 and Y = 484,580.00; thence South 8,433.50 feet to a point on the North line of State Lease No. 18323 having Coordinates of X = 2,668,808.00 and Y = 476,146.50; thence along the boundary of said State Lease No. 18323 the following courses and distances: West 1,599.52 feet, South 4,175.00 feet and East 4,867.02 feet to the Southeast corner of said State Lease No. 18323 having Coordinates of X = 2,672,075.50 and Y = 471,971.50; thence South 2,141.50 feet to a point on the South line of said Block 50 having Coordinates of X = 2,672,075.50 and Y = 469,830.00; thence West 7,225.50 feet along the South line of said Block 50 to its Southwest corner having Coordinates of X = 2,664,850.00 and Y = 469,830.00; thence North 7,375.00 feet along the West line of said Block 50 to a point, also being the Southwest corner of State Lease No. 18321 having Coordinates of X = 2,664,850.00 and Y = 477,205.00; thence along the boundary of said State Lease No. 18321 the following courses and distances: East 3,414.26 feet, North 02 degrees 41 minutes 37 seconds West 4,202.71 feet and South 89 degrees 44 minutes 51 seconds West 3,216.80 feet to the Northwest corner of said State Lease No. 18321, also being a point on the West line of said Block 50 having Coordinates of X = 2,664,850.00 and Y = 481,388.89; thence North 3,191.11 feet along the West line of said Block 50 to the point of beginning, containing approximately **1,028.56 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

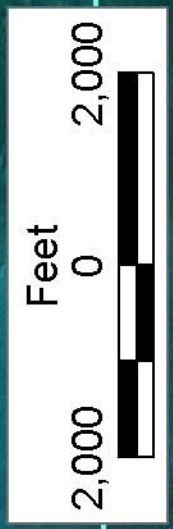


SL 18320

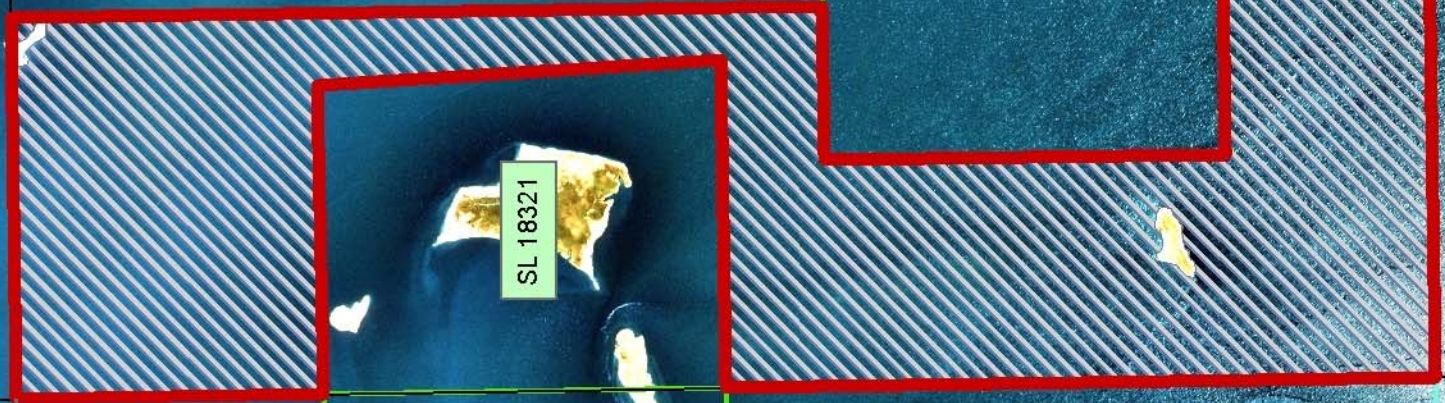
ST BERNARD PARISH

CHANDELEUR SOUND AREA
ADDITION, REVISED

BLOCK CX0050



SL 18323



SL 18321

POB
X=2,664,850.00
Y=484,580.00

SL 18318

BLOCK CX0049

T13S - R19E

TRACT 37698 - Portion of Block 51, Chandeleur Sound Addition Area, Revised, 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 August 10, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point on the South line of Block 51, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,686,975.00 and Y = 469,830.00; thence West 5,608.00 feet along the South line of said Block 51 to a point having Coordinates of X = 2,681,367.00 and Y = 469,830.00; thence North 4,958.20 feet to a point on the South line of State Lease No. 18376 having Coordinates of X = 2,681,367.00 and Y = 474,788.20; thence along the boundary of said State Lease No. 18376 the following courses and distances: East 1,184.61 feet and North 1,416.80 feet to the Northeast corner of said State Lease No. 18376, also being the Southeast corner of State Lease No. 18375 having Coordinates of X = 2,682,551.61 and Y = 476,205.00; thence along the boundary of said State Lease No. 18375 the following courses and distances: North 1,534.80 feet and West 1,184.61 feet to a point on the North line of said State Lease No. 18375 having Coordinates of X = 2,681,367.00 and Y = 477,739.80; thence North 4,584.19 feet to a point on the Southwesterly boundary line of State Lease No. 17659 having Coordinates of X = 2,681,367.00 and Y = 482,324.00; thence along the boundary of said State Lease No. 17659 the following courses and distances: South 15 degrees 26 minutes 07 seconds East 5,310.54 feet, East 3,166.59 feet, North 35 degrees 30 minutes 04 seconds East 1,560.14 feet and South 43 degrees 41 minutes 16 seconds East 176.63 feet to a point on the Southerly boundary line of said State Lease No. 17659 having Coordinates of X = 2,686,975.00 and Y = 478,347.40; thence South 8,517.40 feet to the point of beginning, containing approximately **968.84 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

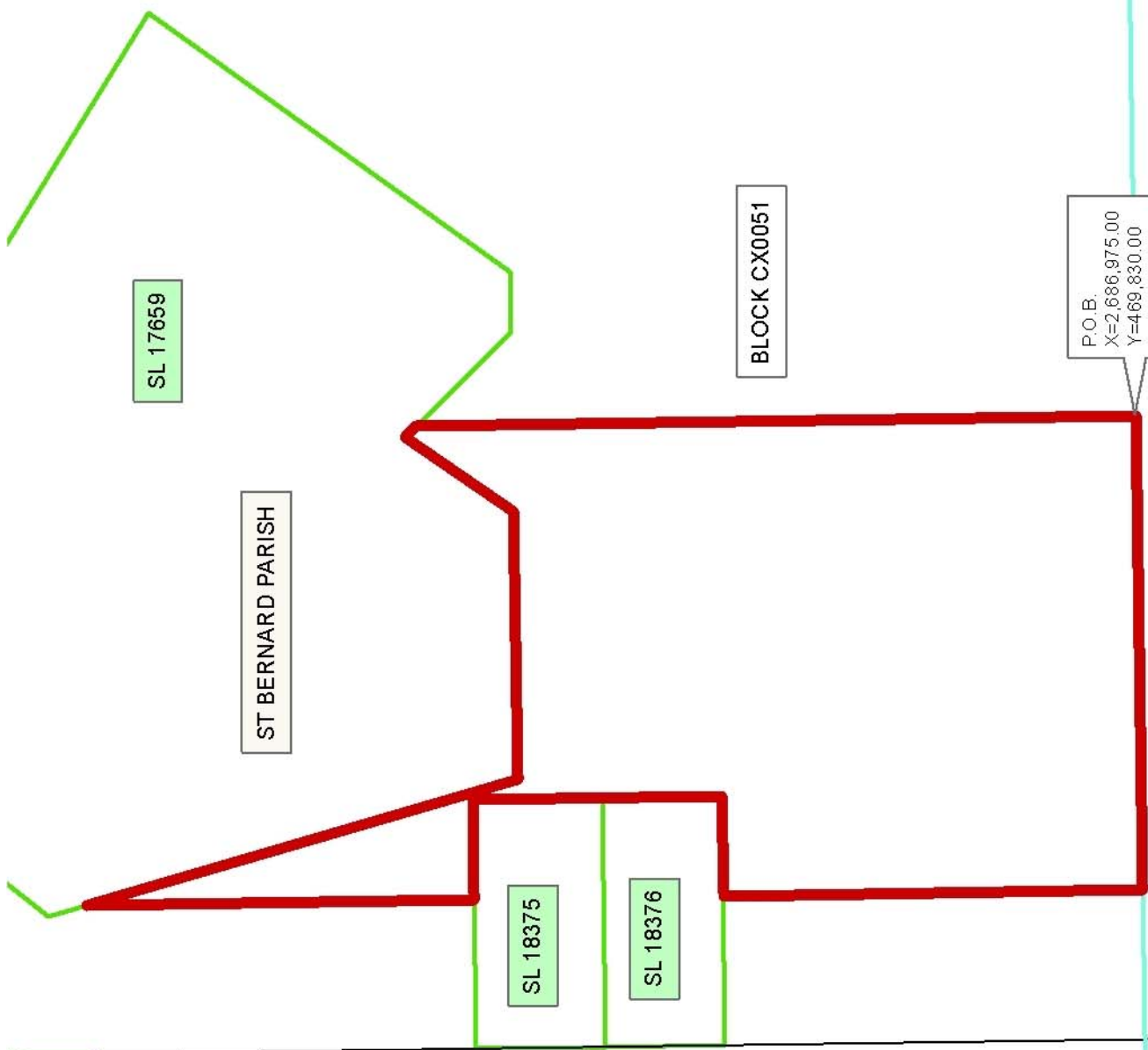
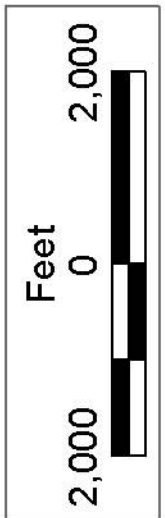


SL 17659

ST BERNARD PARISH

BLOCK CX0051

P.O.B.
X=2,686,975.00
Y=469,830.00



SL 18320

SL 18375

SL 18376

BLOCK CX0050

CHANDELEUR SOUND AREA
ADDITION, REVISED

CHANDELEUR SOUND AREA

TRACT 37699 - Portion of Blocks 50, and 51, Chandeleur Sound Addition Area, Revised, 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 August 10, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point located in Block 50, Chandeleur Sound Area Addition, Revised, having Coordinates of X = 2,668,808.00 and Y = 479,140.00; thence East 10,792.00 feet to a point on the East line of said Block 50, also being a point on the West line of Block 51, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,679,600.00 and Y = 479,140.00; thence East 1,767.00 feet to a point located in said Block 51 having Coordinates of X = 2,681,367.00 and Y = 479,140.00; thence South 1,400.20 feet to a point on the North line of State Lease No. 18375 having Coordinates of X = 2,681,367.00 and Y = 477,739.80; thence along the boundary of said State Lease No. 18375 the following courses and distances: West 1,767.00 feet and South 1,534.80 feet to the Southwest corner of said State Lease No. 18375, also being the Northwest corner of State Lease No. 18376 having Coordinates of X = 2,679,600.00 and Y = 476,205.00; thence along the boundary of said State Lease No. 18376 the following courses and distances: South 1,416.81 feet and East 1,767.00 feet to a point on the South line of said State Lease No. 18376 having Coordinates of X = 2,681,367.00 and Y = 474,788.20; thence South 4,958.20 feet to a point on the South line of said Block 51 having Coordinates of X = 2,681,367.00 and Y = 469,830.00; thence West 1,767.00 feet along the South line of said Block 51 to its Southwest corner, also being the Southeast corner of said Block 50 having Coordinates of X = 2,679,600.00 and Y = 469,830.00; thence West 7,524.50 feet along the South line of said Block 50 to a point having Coordinates of X = 2,672,075.50 and Y = 469,830.00; thence North 2,141.50 feet to the Southeast corner of State Lease No. 18323 having Coordinates of X = 2,672,075.50 and Y = 471,971.50; thence along the boundary of said State Lease No. 18323 the following courses and distances: North 4,175.00 feet and West 3,267.50 feet to a point on the North line of said State Lease No. 18323 having Coordinates of X = 2,668,808.00 and Y = 476,146.50; thence North 2,993.50 feet to the point of beginning, containing approximately **2,044 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.

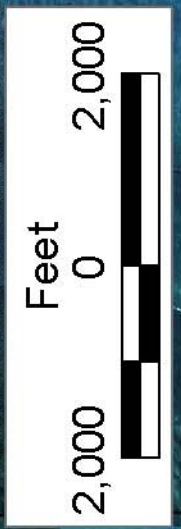
Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



SL 17659

BLOCK CX0051

SL 18375
SL 18376



SL 18320

ST BERNARD PARISH

CHANDELEUR SOUND AREA
ADDITION, REVISED

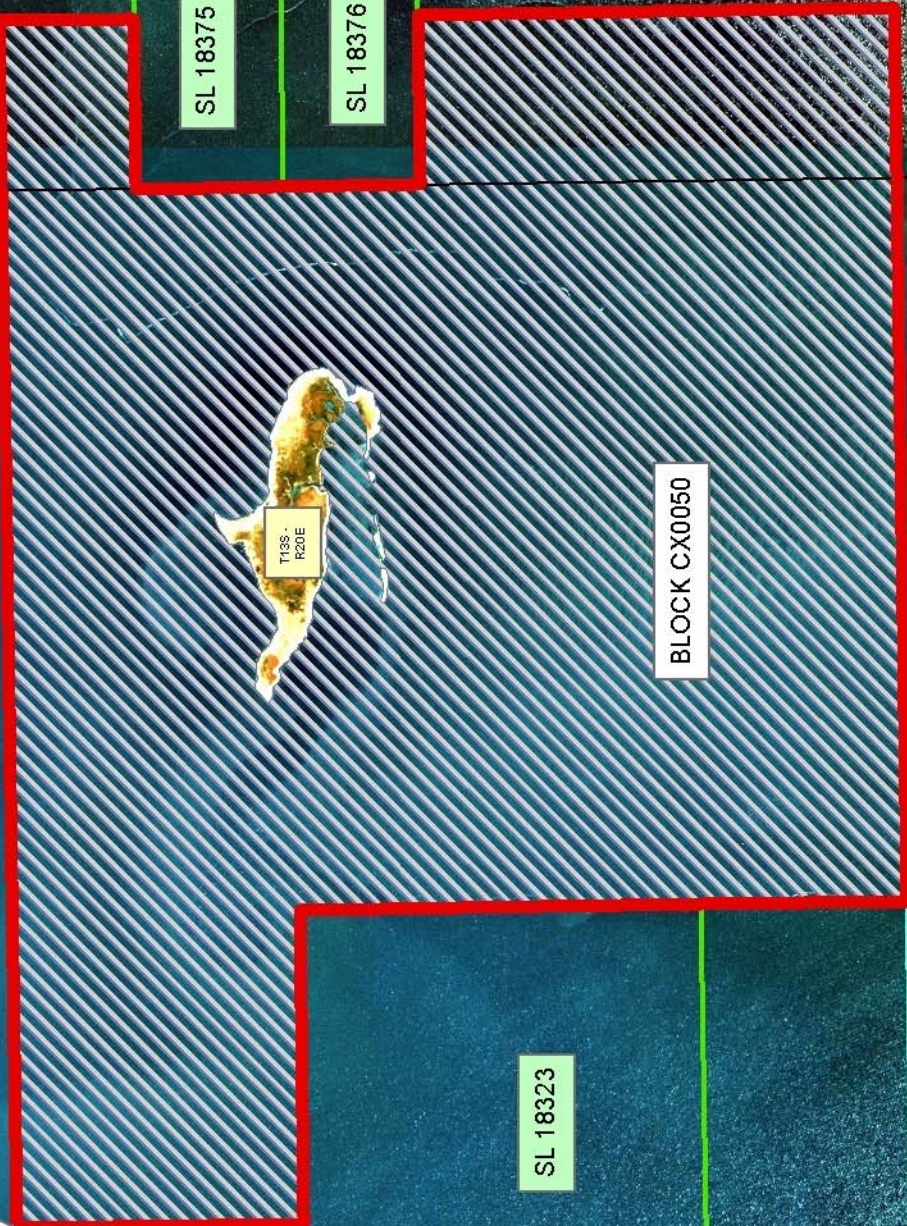


BLOCK CX0050

CHANDELEUR SOUND AREA

BLOCK CS0004

P.O.B.
X=2,668,808.00
Y=4,79,140.00



SL 18323



SL 18321

TRACT 37700 - Portion of Block 1, Chandeleur Sound Area, and Block 47, Chandeleur Sound Addition Area, Revised, 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 August 10, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point on the East line of Block 1, Chandeleur Sound Area having Coordinates of X = 2,635,350.00 and Y = 468,504.93; thence West 14,750.00 feet to a point on the West line of said Block 1 having Coordinates of X = 2,620,600.00 and Y = 468,504.93; thence North 1,325.07 feet along the West line of said Block 1 to its Northwest corner, also being the Southwest corner of Block 47, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,620,600.00 and Y = 469,830.00; thence North 6,826.00 feet along the West line of said Block 47 to a point having Coordinates of X = 2,620,600.00 and Y = 476,656.00; thence East 14,750.00 feet to a point on the East line of said Block 47 having Coordinates of X = 2,635,350.00 and Y = 476,656.00; thence South 6,826.00 feet along the East line of said Block 47 to its Southeast corner, also being the Northeast corner of said Block 1 having Coordinates of X = 2,635,350.00 and Y = 469,830.00; thence South 1,325.07 feet along the East line of said Block 1 to the point of beginning, containing approximately **2,482 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



ST BERNARD PARISH

CHANDELEUR SOUND AREA ADDITION, REVISED

T12S - R18E

T12S - R19E

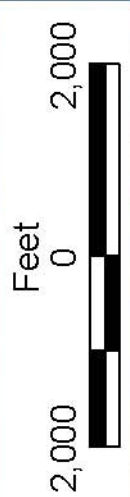


BLOCK CX0047

P.O.B.
X=2,635,350.00
Y=468,504.93

BLOCK CS0001

CHANDELEUR SOUND AREA



TRACT 37701 - Portion of Block 48, Chandeleur Sound Addition Area, Revised, 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 August 10, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the Southeast corner of Block 48, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,650,100.00 and Y = 469,830.00; thence West 14,750.00 feet along the South line of said Block 48 to its Southwest corner having Coordinates of X = 2,635,350.00 and Y = 469,830.00; thence North 7,375.00 feet along the West line of said Block 48 to a point having Coordinates of X = 2,635,350.00 and Y = 477,205.00; thence East 14,750.00 feet to a point on the East line of said Block 48 having Coordinates of X = 2,650,100.00 and Y = 477,205.00; thence South 7,375.00 feet along the East line of said Block 48 to the point of beginning, containing approximately **1,950 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%.

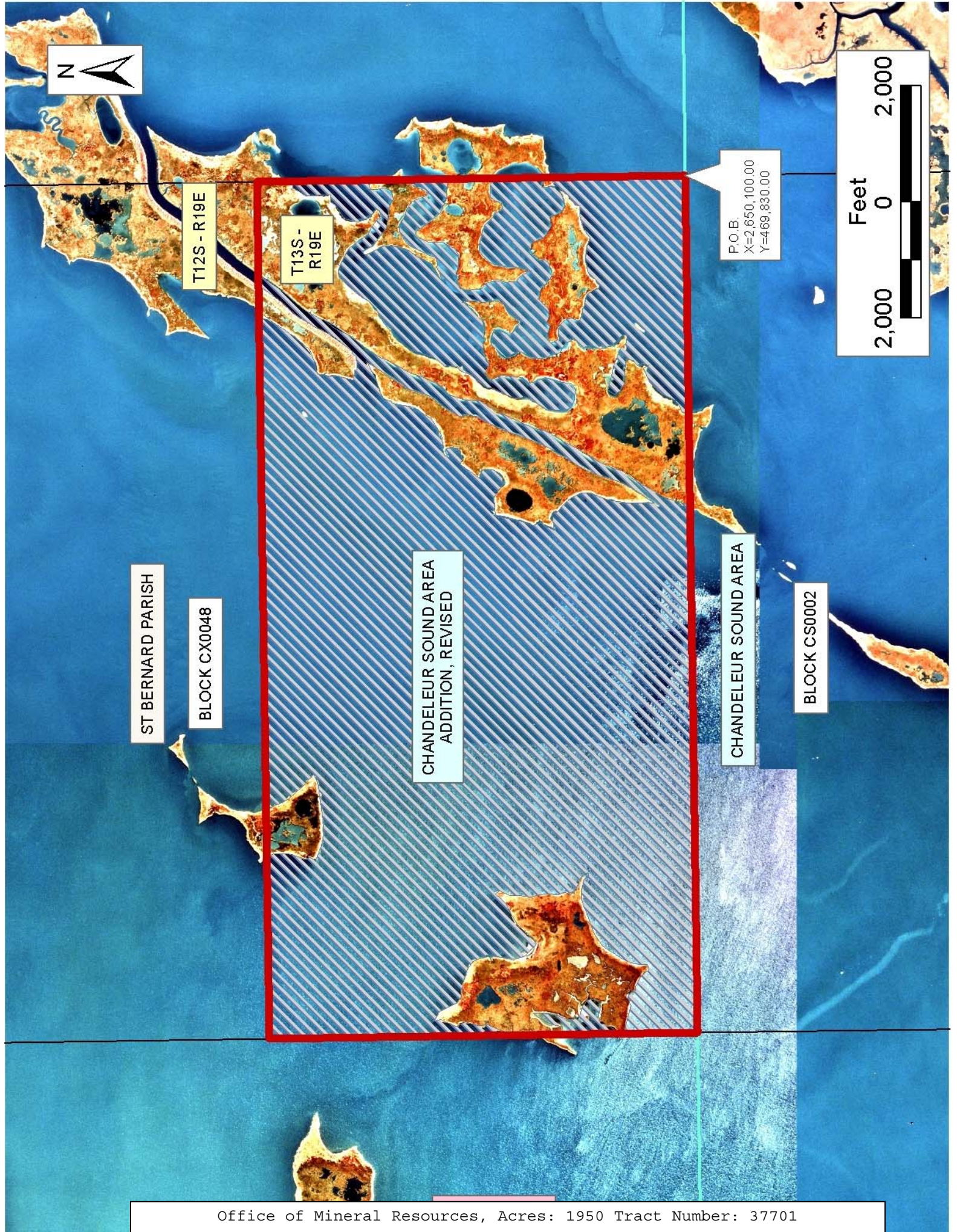
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing 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



T12S - R19E

T13S - R19E

ST BERNARD PARISH

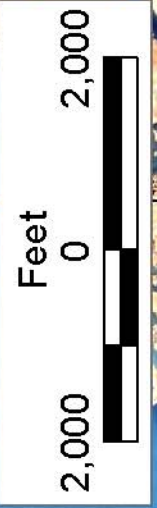
BLOCK CX0048

CHANDELEUR SOUND AREA
ADDITION, REVISED

CHANDELEUR SOUND AREA

BLOCK CS0002

P.O.B.
X=2,650,100.00
Y=469,830.00



TRACT 37702 - Portion of Block 49, Chandeleur Sound Addition Area, Revised, 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 August 10, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the Southwest corner of Block 49, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,650,100.00 and Y = 469,830.00; thence North 7,375.00 feet along the West line of said Block 49 to a point having Coordinates of X = 2,650,100.00 and Y = 477,205.00; thence East 12,731.50 feet to the Southwest corner of State Lease No. 18318 having Coordinates of X = 2,662,831.50 and Y = 477,205.00; thence East 2,018.50 feet along the South line of said State Lease No. 18318 to its Southeast corner, also being a point on the East line of said Block 49 having Coordinates of X = 2,664,850.00 and Y = 477,205.00; thence South 7,375.00 feet along the East line of said Block 49 to its Southeast corner having Coordinates of X = 2,664,850.00 and Y = 469,830.00; thence West 14,750.00 feet along the South line of said Block 49 to the point of beginning, containing approximately **2,144 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



SL 18321

SL 18318



CHANDELEUR SOUND AREA ADDITION, REVISED

ST BERNARD PARISH

BLOCK CX0049

BLOCK CS0003

CHANDELEUR SOUND AREA

T12S - R19E

P.O.B.
X=2,650,100.00
Y=469,830.00

T13S - R19E

TRACT 37703 - Portion of Block 3, Chandeleur Sound 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 August 10, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the Northwest corner of Block 3, Chandeleur Sound Area having Coordinates of X = 2,650,100.00 and Y = 469,830.00; thence East 14,750.00 feet along the North line of said Block 3 to its Northeast corner having Coordinates of X = 2,664,850.00 and Y = 469,830.00; thence South 7,375.00 feet along the East line of said Block 3 to a point having Coordinates of X = 2,664,850.00 and Y = 462,455.00; thence West 14,750.00 feet to a point on the West line of said Block 3 having Coordinates of X = 2,650,100.00 and Y = 462,455.00; thence North 7,375.00 feet along the West line of said Block 3 to the point of beginning, containing approximately **1,761 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 CX0049

ST BERNARD PARISH

T13S - R19E

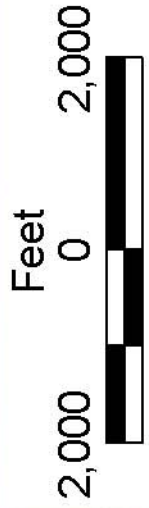
CHANDELEUR SOUND AREA
ADDITION, REVISED

P.O.B.
X=2,650,100.00
Y=469,830.00



BLOCK CS0003

CHANDELEUR SOUND AREA



TRACT 37704 - Portion of Block 4, Chandeleur Sound 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 August 10, 2005, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the Southwest corner of Block 4, Chandeleur Sound Area having Coordinates of X = 2,664,850.00 and Y = 455,080.00; thence North 14,750.00 feet along the West line of said Block 4 to its Northwest corner having Coordinates of X = 2,664,850.00 and Y = 469,830.00; thence East 7,375.00 feet along the North line of said Block 4 to a point having Coordinates of X = 2,672,225.00 and Y = 469,830.00; thence South 14,750.00 feet to a point on the South line of said Block 4 having Coordinates of X = 2,672,225.00 and Y = 455,080.00; thence West 7,375.00 feet along the South line of said Block 4 to the point of beginning, containing approximately **2,490 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



CHANDELEUR SOUND AREA
ADDITION, REVISED

SL 18323

CHANDELEUR
SOUND AREA

BLOCK CS0004

Feet
3,000 0 3,000



P.O.B.
X=2,664,850.00
Y=455,080.00

T13S - R19E

ST BERNARD PARISH

BLOCK CS0003