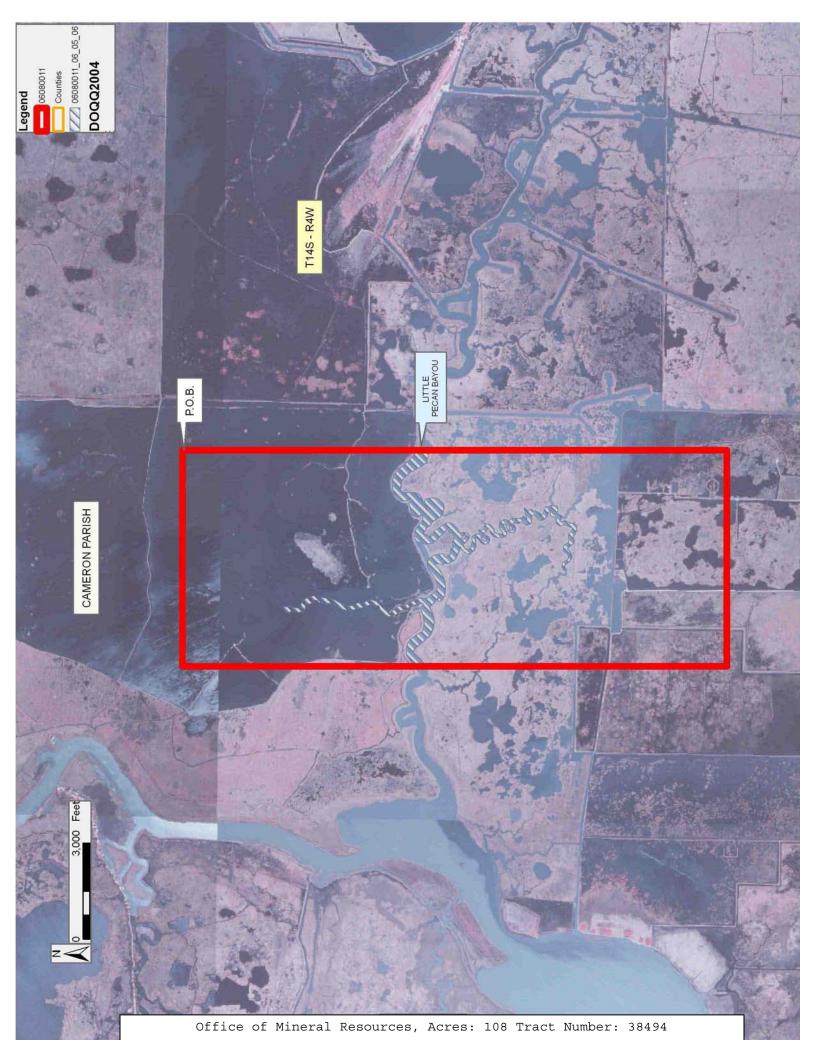
TRACT 38494 - Cameron Parish, Louisiana

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 and cross hatched on August 9, 2006, situated in Cameron Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,523,629.00 and Y = 422,017.00; thence South 17,000.00 feet to a point having Coordinates of X = 1,523,629.00 and Y = 405,017.00; thence West 6,756.00 feet to a point having Coordinates of 1,516,873.00 and Y = 405,017.00; thence North 17,000.00 feet to a point having Coordinates of X = 1,516,873.00 and Y = 422,017.00; thence East 6,756.00 feet to the point of beginning, containing approximately 108 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 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, abrogation, including, but not limited to, bonuses, rentals and royalties.

Bidder	Cash	Price/	Rental	Oil	Gas	Other
	Payment	Acre				

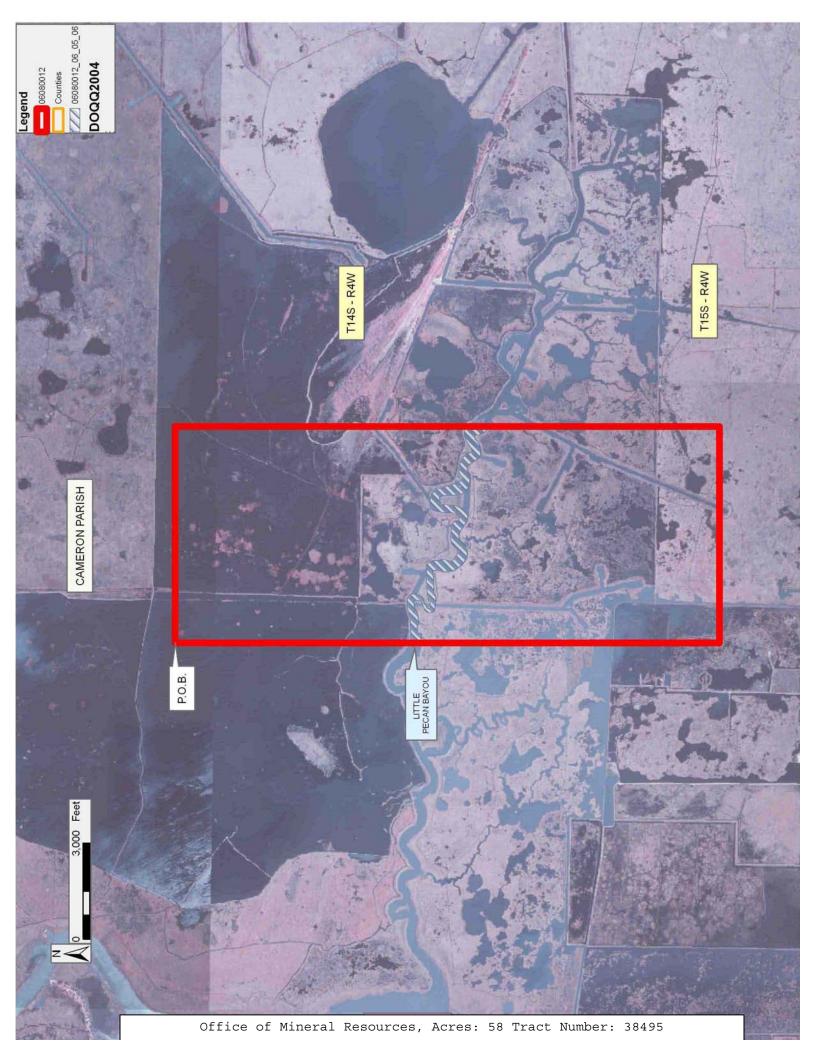


TRACT 38495 - Cameron Parish, Louisiana

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 and cross hatched on August 9, 2006, situated in Cameron Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,523,629.00 and Y = 422,017.00; thence East 6,756.00 feet to a point having Coordinates of X = 1,530,385.00 and Y = 422,017.00; thence South 17,000.00 feet to a point having Coordinates of X = 1,530,385.00 and Y = 405,017.00; thence West 6,756.00 feet to a point having Coordinates of X = 1,523,629.00 and Y = 405,017.00; thence North 17,000.00 feet to the point of beginning, containing approximately 58 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 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, abrogation, including, but not limited to, bonuses, rentals and royalties.

Bidder	Cash Payment	Price/ Acre	Rental	Oil	Gas	Other
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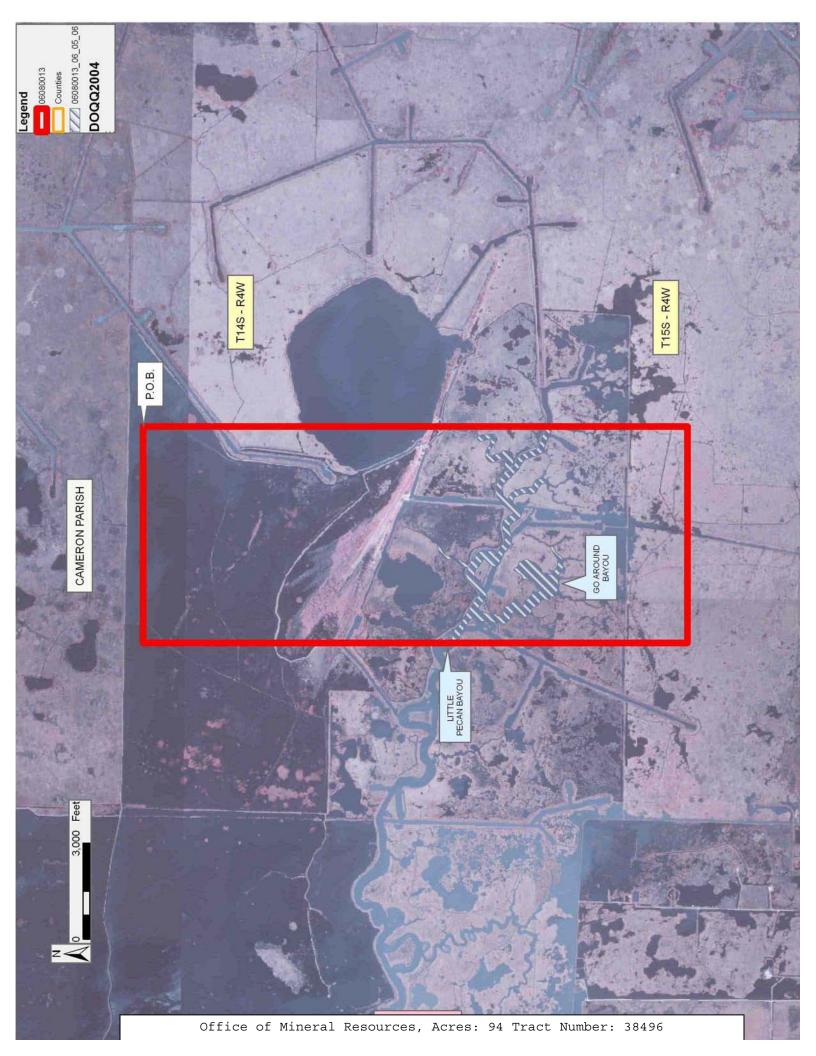


TRACT 38496 - Cameron Parish, Louisiana

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 and cross hatched on August 9, 2006, situated in Cameron Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,537,141.00 and Y = 422,017.00; thence South 17,000.00 feet to a point having Coordinates of X = 1,537,141.00 and Y = 405,017.00; thence West 6,756.00 feet to a point having Coordinates of 1,530,385.00 and Y = 405,017.00; thence North 17,000.00 feet to a point having Coordinates of X = 1,530,385.00 and Y = 422,017.00; thence East 6,756.00 feet to the point of beginning, containing approximately 94 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 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, abrogation, including, but not limited to, bonuses, rentals and royalties.

Bidder	Cash Payment	Price/ Acre	Rental	Oil	Gas	Other
	Payment	Acre				

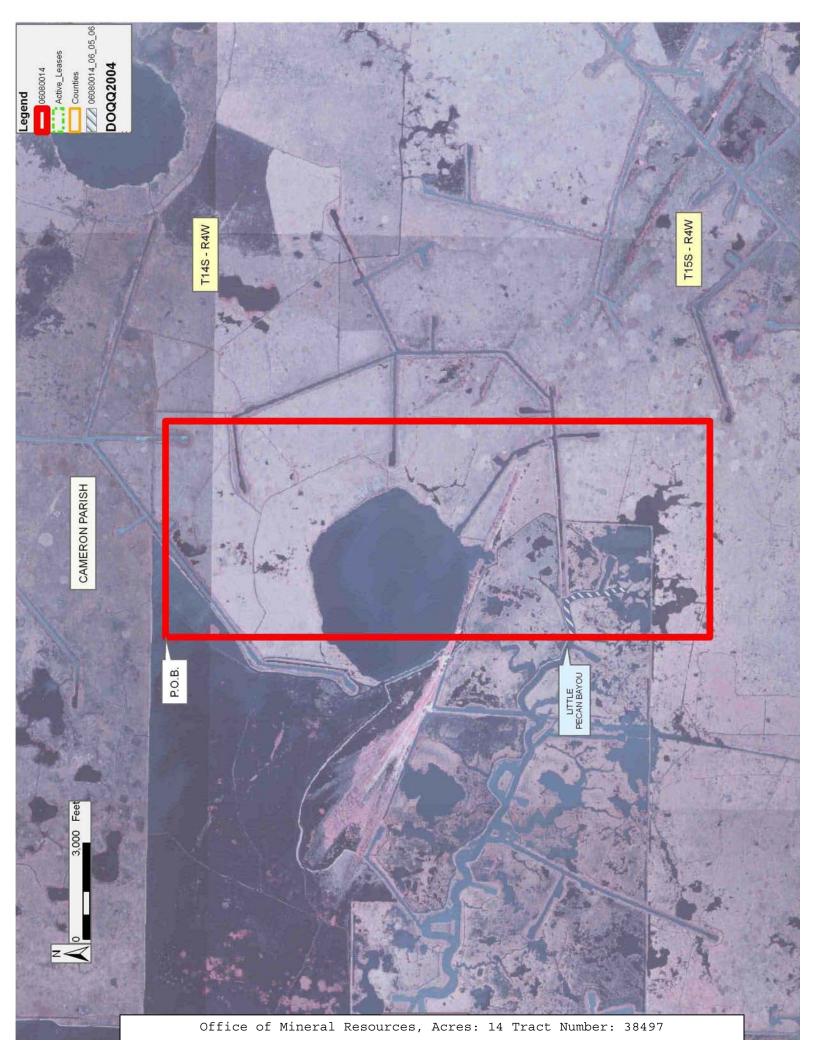


TRACT 38497 - Cameron Parish, Louisiana

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 and cross hatched on August 9, 2006, situated in Cameron Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,537,141.00 and Y = 422,017.00; thence East 6,756.00 feet to a point having Coordinates of X = 1,543,897.00 and Y = 422,017.00; thence South 17,000.00 feet to a point having Coordinates of X = 1,543,897.00 and Y = 405,017.00; thence West 6,756.00 feet to a point having Coordinates of X = 1,537,141.00 and Y = 405,017.00; thence North 17,000.00 feet to the point of beginning, containing approximately 14 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 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, abrogation, including, but not limited to, bonuses, rentals and royalties.

Bidder	Cash Payment	Price/ Acre	Rental	Oil	Gas	Other
	raymenc	ACTE				

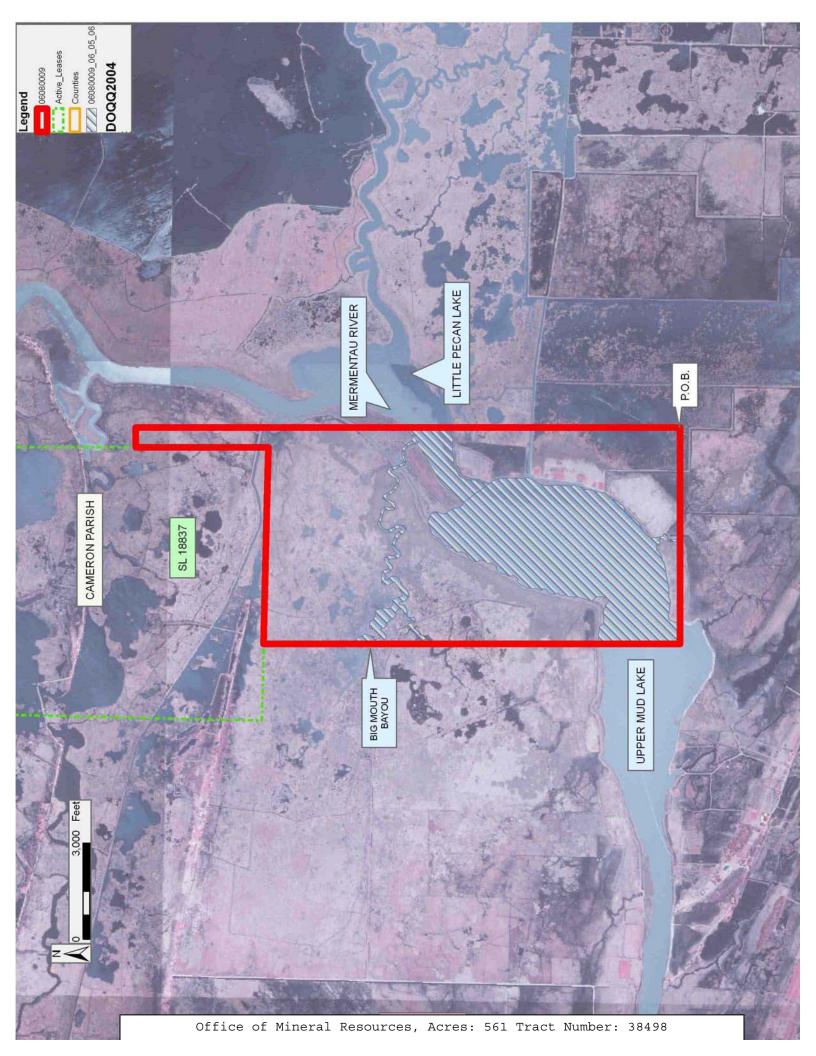


TRACT 38498 - Cameron Parish, Louisiana

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 and cross hatched on August 9, 2006, situated in Cameron Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,510,117.00 and Y = 405,017.00; thence West 6,756.00 feet to a point having Coordinates of X = 1,503,361.00 and Y = 405,017.00; thence North 13,008.57 feet to a point on the South boundary of State Lease No. 18837 having Coordinates of X = 1,503,361.00 and Y = 418,025.57; thence along the boundary of said State Lease No. 18837 the following courses: South 88 degrees 33 minutes 57 seconds East 6,140.92 feet and North 4,145.13 feet to a point on the East boundary of said State Lease No. 18837 having Coordinates of X = 1,509,500.00 and Y = 422,017.00; thence East 617.00 feet to a point having Coordinates of X = 1,510,117.00and Y = 422,017.00; thence South 17,000.00 feet to the point of beginning, containing approximately 561 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 purpose. Should the mineral lease awarded by the Louisiana State Mineral Board be subsequently modified, cancelled or abrogated due to 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, abrogation, including, but not limited to, bonuses, rentals and royalties.

Bidder	Cash	Price/	Rental	Oil	Gas	Other
	Payment	Acre				

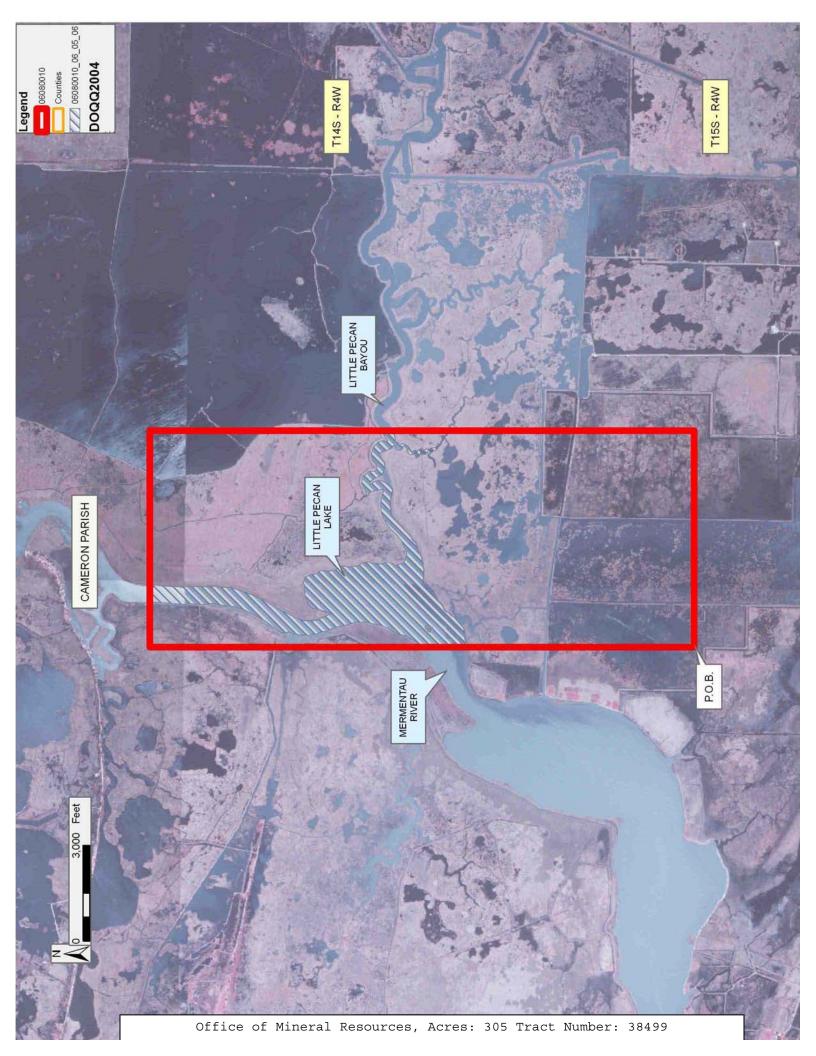


TRACT 38499 - Cameron Parish, Louisiana

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 and cross hatched on August 9, 2006, situated in Cameron Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,510,117.00 and Y = 405,017.00; thence North 17,000.00 feet to a point having Coordinates of X = 1,510,117.00 and Y = 422,017.00; thence East 6,756.00 feet to a point having Coordinates of 1,516,873.00 and Y = 422,017.00; thence South 17,000.00 feet to a point having Coordinates of X = 1,516,873.00 and Y = 405,017.00; thence West 6,756.00 feet to the point of beginning, containing approximately 305 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 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, abrogation, including, but not limited to, bonuses, rentals and royalties.

Bidder	Cash Payment	Price/ Acre	Rental	Oil	Gas	Other
	raymenc	ACTE				



TRACT 38500 - 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 and cross hatched on August 9, 2006, situated in St. Bernard Parish, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,560,856.00 and Y = 389,233.00; thence North 16,000.00 feet to a point having Coordinates of X = 2,560,856.00 and Y = 405,233.00; thence East 18,480.00 feet to a point having Coordinates of X = 2,579,336.00 and Y = 405,233.00; thence South 2,718.00 feet to a point on the North boundary of State Lease No. 18463 having Coordinates of X = 2,579,336.00 and Y = 402,515.00; thence along the boundary of said State Lease No. 18463 the following courses: West 4,618.00 feet and South 11,747.00 feet to its Southwest corner, also being the Northwest corner of State Lease No. 18465 having Coordinates of X = 2,574,718.00 and Y =390,768.00; thence South 1,535.00 feet to the Southwest corner of said State Lease No. 18465 having Coordinates of X = 2,574,718.00 and Y =389,233.00; thence West 13,862.00 feet to the point of beginning, containing approximately 2,500 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.

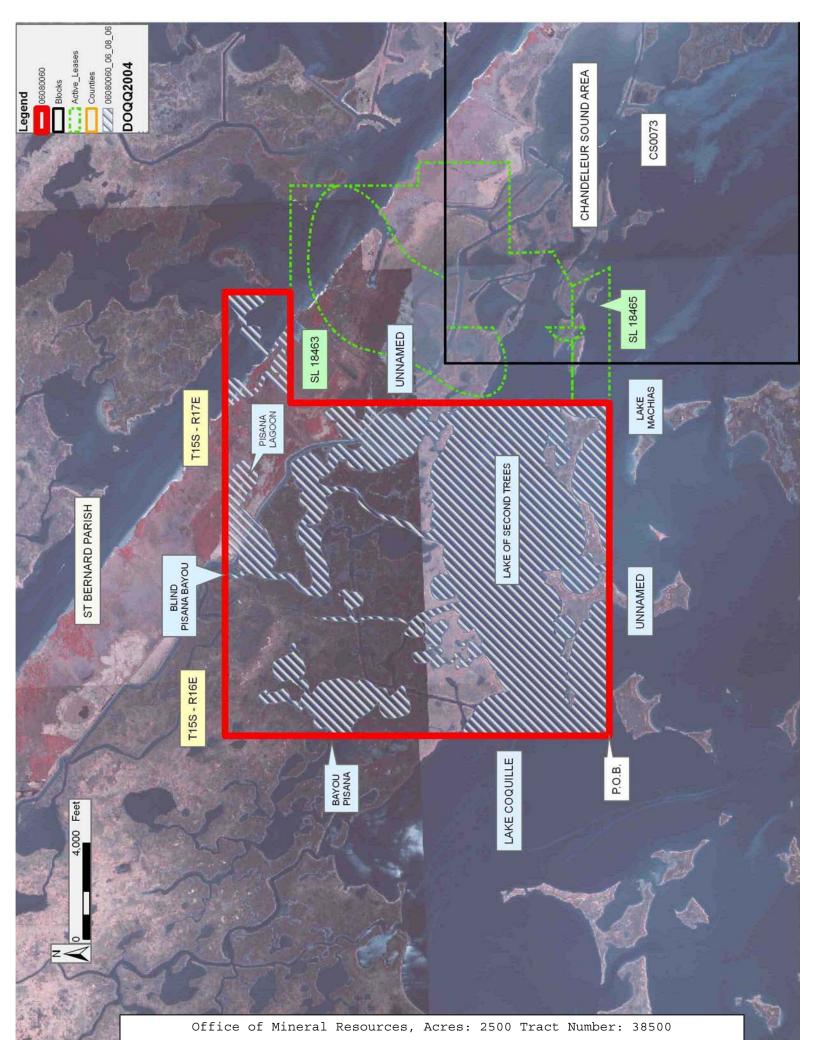
NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied,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

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	Price/	Rental	Oil	Gas	Other
	Payment	Acre				



TRACT 38501 - Cameron 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 and cross hatched on August 9, 2006, situated in Cameron Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,189,925.00 and Y = 410,451.00; thence South 69 degrees 21 minutes 49 seconds West 2,748.29 feet to a point on the Texas Louisiana Boundary having Coordinates of X = 1,187,353.05409,482.41; thence along the said Texas Louisiana Boundary the following courses: North 43 degrees 10 minutes 54 seconds West 435.54 feet to a point having Coordinates of X = 1,187,055.00 and Y = 409,800.00; North 41 degrees 19 minutes 15 seconds West 1,597.82 feet to a point having Coordinates of X = 1,186,000.00 and Y = 411,000.00; North 54 degrees 44 minutes 03 seconds West 1,714.67 feet to a point having Coordinates of X = 1,184,600.00 and Y = 411,990.00; North 52 degrees 19 minutes 43 seconds West 1,358.13 feet to a point having Coordinates of X = 1,183,525.00 and Y= 412,820.00; North 55 degrees 20 minutes 32 seconds West 2,233.26 feet to a point having Coordinates of X = 1,181,688.00 and Y = 414,090.00; North 49 degrees 40 minutes 55 seconds West 1,689.26 feet to a point having Coordinates of X = 1,180,400.00 and Y = 415,183.00; North 64 degrees 26 minutes 49 seconds West 1,646.00 feet to a point having Coordinates of X = 1,178,915.00 and Y = 415,893.00; North 42 degrees 28 minutes 26 seconds West 1,443.90 feet to a point having Coordinates of X = 1,177,940.00 and Y = 416,958.00; North 19 degrees 16 minutes 02 seconds West 2,242.61 feet to a point having Coordinates of X = 1,177,200.00 and Y = 419,075.00; and North 00 degrees 34 minutes 06 seconds West 511.03 feet to a point having Coordinates of X = 1,177,194.93 and Y = 419,586.00; thence East 9,293.07 feet to a point having Coordinates of X = 1,186,488.00 and Y = 419,586.00; thence South 20 degrees 37 minutes 07 seconds East 9,760.18 feet to the point of beginning, containing approximately 1,284 acres, LESS AND EXCEPT that portion thereof, if any, located West of the boundary line between the States of Texas and Louisiana as determined by the report of the Special Master and adjudicated by the Supreme Court of the United States in litigation styled Texas v. Louisiana, et al No. 36 Original, or as otherwise approved by said court, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

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

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

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

Applicant: SAXON ENERGY, INC.

Bidder	Cash	Price/	Rental	Oil	Gas	Other
	Payment	Acre				



TRACT 38502 - 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 and cross hatched on August 9, 2006, situated in St. Bernard Parish, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,560,856.00 and Y = 389,233.00; thence West 11,590.42 feet to the most Southerly Southeast corner of State Lease No. 18838 having Coordinates of X = 2,549,265.58 and Y = 389,233.00; thence along the boundary of said State Lease No. 18838 the following courses: North 02 degrees 11 minutes 10 seconds West 511.96 feet, North 87 degrees 50 minutes 49 seconds East 5,279.66 feet, North 02 degrees 11 minutes 11 seconds West 5,279.66 feet, South 87 degrees 51 minutes 03 seconds West 10,559.32 feet and South 02 degrees 10 minutes 43 seconds East 5,593.84 feet to its Southwest corner having Coordinates of X = 2,543,981.31 and Y = 389,233.00; thence West 1,017.31 feet to a point having Coordinates of X = 2,542,964.00 and Y = 389,233.00; thence North 6,792.00 feet to a point having Coordinates of X = 2,542,964.00 and Y =396,025.00; thence East 17,892.00 feet to a point having Coordinates of X = 2,560,856.00 and Y = 396,025.00; thence South 6,792.00 feet to the point of beginning, containing approximately 1,349 acres, 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 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, abrogation, including, but not limited to, bonuses, rentals and royalties.

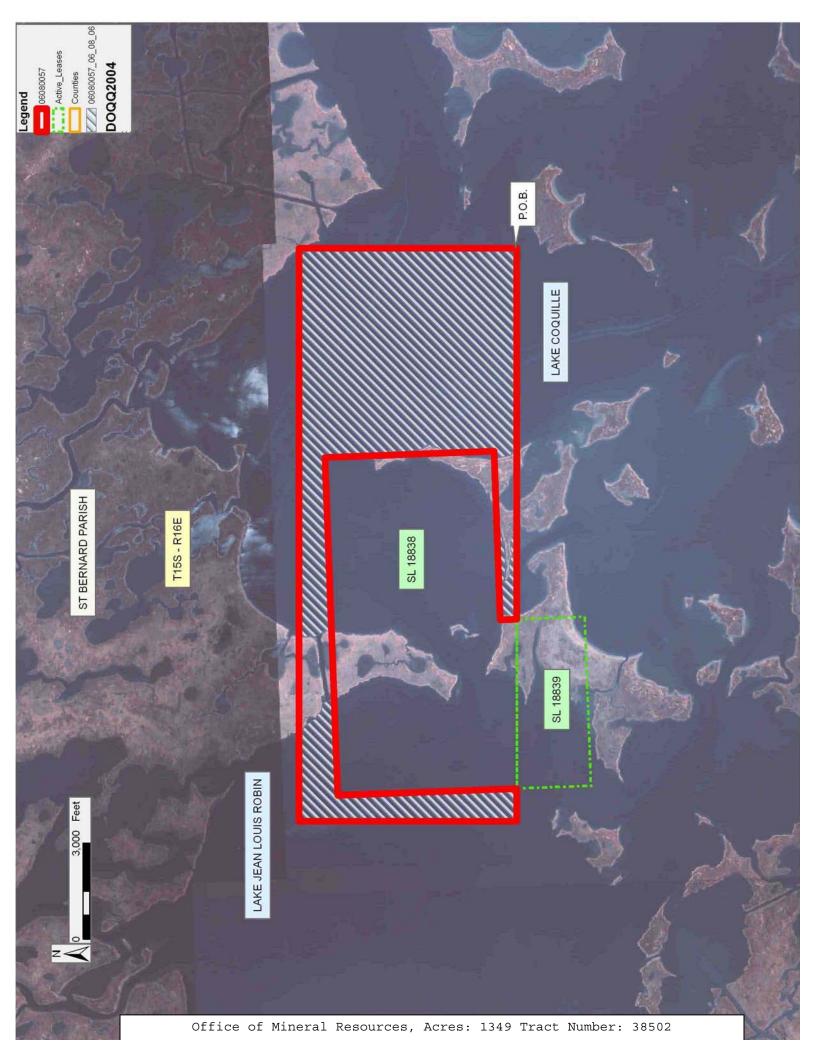
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing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

and/or restoration projects. Utilization of any and all rights derived under this lease by the mineral lessee, its agents, successors or assigns, shall not interfere with nor hinder the reasonable surface use by the Department of Natural Resources, its Offices or Commissions, as herein above reserved.

NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from the State of Louisiana may necessarily be conducted in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

Applicant: KARE-SUE ENERGY, INC.

Bidder	Cash	Price/	Rental	Oil	Gas	Other
	Payment	Acre				
	1	l				



TRACT 38503 - 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 and cross hatched on August 9, 2006, situated in St. Bernard Parish, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,542,964.00 and Y = 389,233.00; thence West 16,273.00 feet to a point having Coordinates of X = 2,526,691.00 and Y = 389,233.00; thence North 6,792.00 feet to a point having Coordinates of X = 2,526,691.00 and Y = 396,025.00; thence East 16,273.00 feet to a point having Coordinates of X = 2,542,964.00 and Y = 396,025.00; thence South 6,792.00 feet to the point of beginning, containing approximately 1,576 acres, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. 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 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, abrogation, including, but not limited to, bonuses, rentals and royalties.

NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the of implementing, sole purpose 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	Price/	Rental	Oil	Gas	Other
	Payment	Acre				

