

TRACT 36717 - St. Bernard Parish, Louisiana

All of the mineral rights only under land adjudicated to and acquired by the State of Louisiana in and through a proper tax sale, and subsequently alienated by the State which retained the mineral rights thereto, and which is not under valid mineral lease from the State of Louisiana on September 8, 2004, situated in St. Bernard Parish, Louisiana, and being more fully described as follows: All of Sections 1, 3, 10, 11, 12, and 13, Township 12 South, Range 17 East, Southeastern Land District, and being a part of 4,910 acres owned by Henry Lefebvre and John Worstaubury and adjudicated to the State of Louisiana for unpaid taxes of 1911, lying within the following described boundaries: Beginning at a point having Coordinates of X = 2,581,126.00 and Y = 494,878.00; thence North 12,936.00 feet to a point having Coordinates of X = 2,581,126.00 and Y = 507,814.00; thence East 18,072.00 feet to a point having Coordinates of X = 2,599,198.00 and Y = 507,814.00; thence South 11,772.00 feet to a point having Coordinates of X = 2,599,198.00 and Y = 496,042.00; thence South 86 degrees 18 minutes 53 seconds West 18,109.45 feet to the point of beginning, containing approximately **2,498 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%.

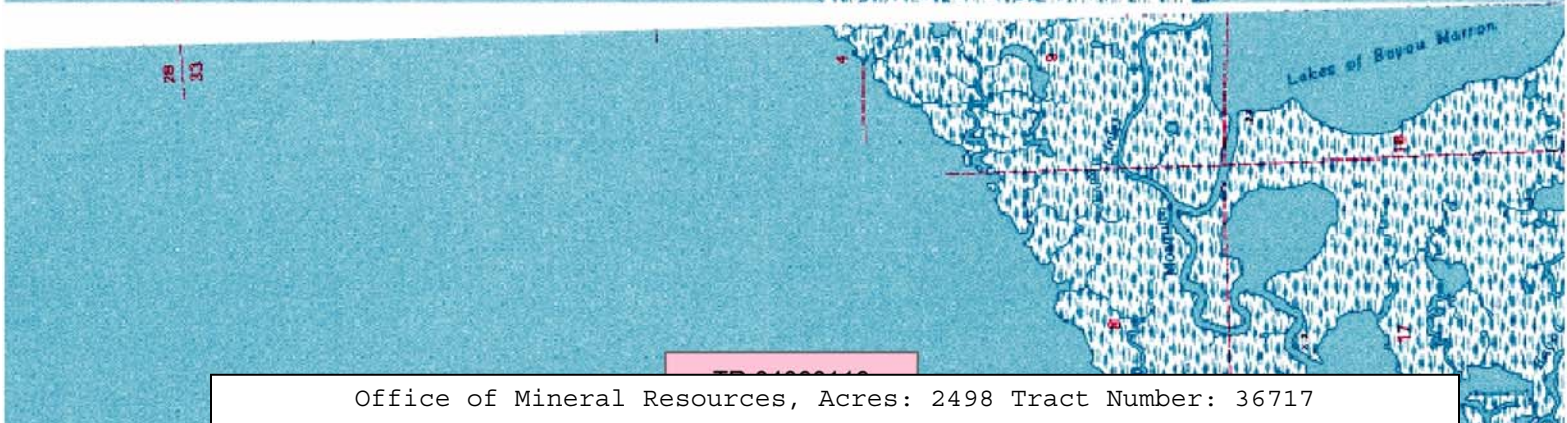
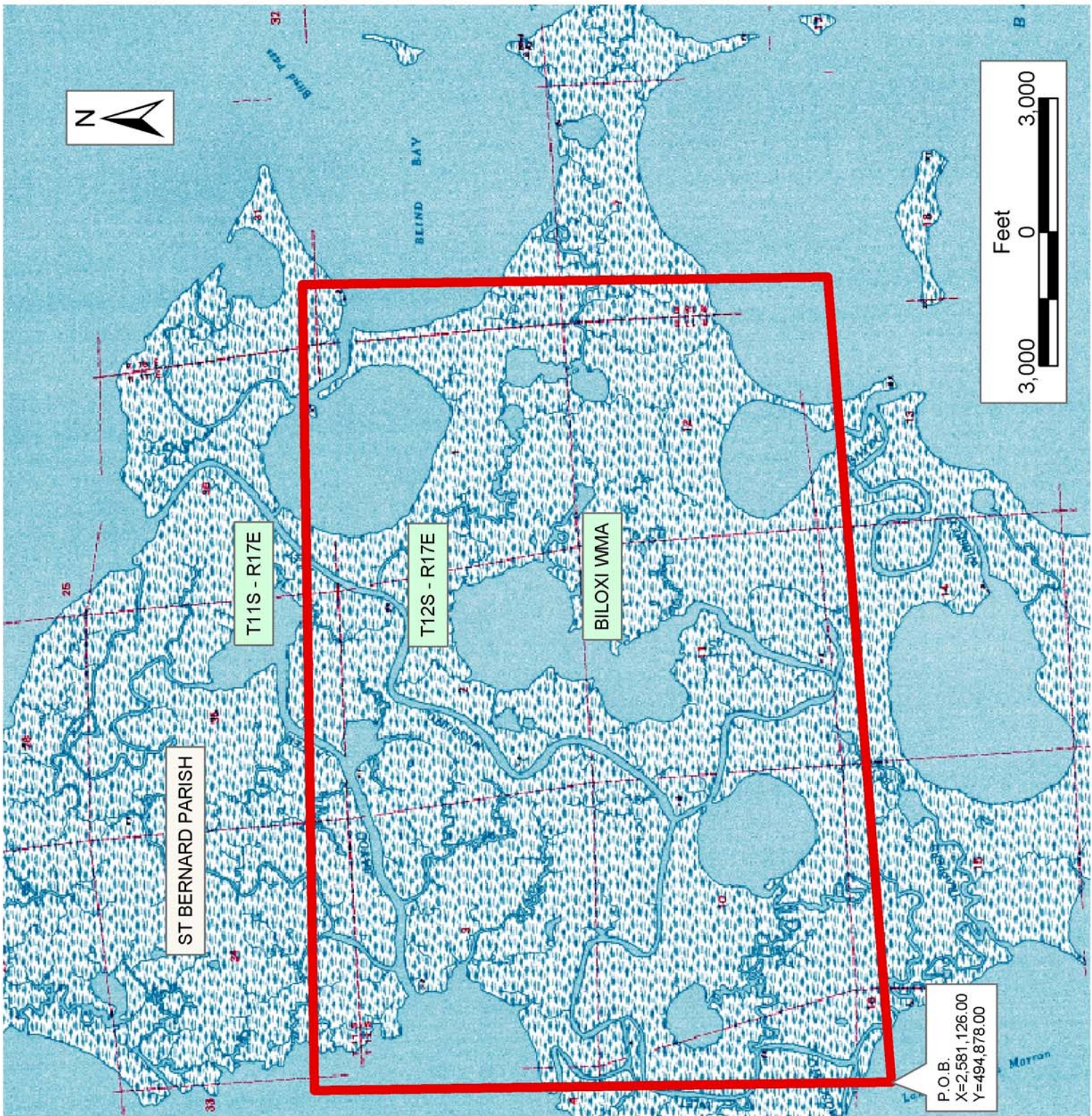
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing 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 36718 - St. Bernard Parish, Louisiana

All of the mineral rights only under land adjudicated to and acquired by the State of Louisiana in and through a proper tax sale, and subsequently alienated by the State which retained the mineral rights thereto, and which is not under valid mineral lease from the State of Louisiana on September 8, 2004, situated in St. Bernard Parish, Louisiana, and being more fully described as follows: All of Sections 13, 14, 15, 22, and 23, Township 12 South, Range 17 East, Southeastern Land District, and being a part of 4,910 acres owned by Henry Lefebvre and John Worstaubury and adjudicated to the State of Louisiana for unpaid taxes of 1911, lying within the following described boundaries: Beginning at a point having Coordinates of X = 2,581,126.00 and Y = 496,378.00; thence North 86 degrees 18 minutes 53 seconds East 18,109.45 feet to a point having Coordinates of X = 2,599,198.00 and Y = 497,542.00; thence South 12,888.00 feet to a point having Coordinates of X = 2,599,198.00 and Y = 484,654.00; thence West 18,072.00 feet to a point having Coordinates of X = 2,581,126.00 and Y = 484,654.00; thence North 11,724.00 feet to the point of beginning, containing approximately **2,412 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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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.

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