

LLOG EXPLORATION COMPANY, L.L.C.  
433 Metairie Road, Suite 600  
Metairie, Louisiana 70005  
July 25, 2006

State of Louisiana  
Department of Natural Resources  
Office of Mineral Resources  
State Mineral Board  
Post Office Box 2827  
Baton Rouge, Louisiana 70821-2827

Attention: Mr. Glenn Laughlin

RE: State Lease Sale Dated September 13, 2006  
Six (6) Tracts  
White Lake Area  
Vermillion Parish, Louisiana

Ladies and Gentlemen:

In accordance with the provisions of Act No. 92 of the Regular Session of the Louisiana Legislature of 1942, the State Mineral Board will advertise and receive bids on, September 13, 2006, for an oil and gas lease or leases by the State of Louisiana on White Lake acreage.

The provisions of said Act No. 92 require that, within sixty (60) days after the granting by the State Mineral Board of a State Lease, said Lessee from the State shall obtain a lease on the White Lake acreage from the Acadia Vermilion Rice Irrigation Company, Inc.

This is to advise that, within sixty (60) days after the granting of a lease by the State Mineral Board of such acreage, or any part or parts thereof, LLOG Exploration Company, L.L.C. (successor in title from Energy Development Corporation) and AVRICO, Inc., together successors in ownership to Acadia Vermilion Rice Irrigation Company, Inc., will grant to the State's Lessee an oil, gas and mineral lease or leases for a consideration equal to the following:

1. fifty percent (50%) of the amount to be paid to the State in cash payment money for lease bonus and rentals; and,
2. fifty percent (50%) of the royalty payable to the State but, in no event, to be less than a total aggregate royalty of 25% to the State and the required private lease or leases, resulting, therefore, in a minimum royalty of 8.333% of 8/8ths, net, to LLOG Exploration Company, L.L.C. and AVRICO, Inc.

The form of lease which will be executed by the undersigned will follow closely the form executed by the State Mineral Board on behalf of the State, inclusive of a paragraph providing that, at the end of the primary term of the lease, Lessee shall release in favor of Lessors (LLOG Exploration Company, L.L.C. and AVRICO, Inc.) all of Lessee's right, title and interest in such lease or leases as to all depths 100 feet below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at the expiration of the primary term.

It will be required that the lessee shall be a person, company or corporation having sufficient financial strength, technical organization and the necessary experience to properly develop the property.

Please call if you require further documentation of our respective occurrences.

Very truly yours,

LLOG EXPLORATION COMPANY, L.L.C.  
s/Michael C. McKeogh  
Michael C. McKeogh  
Attorney in Fact

AVRICO, INC.  
S/Albert Mintz  
Albert Mintz  
President

I hereby certify that the above is a true and correct copy of a letter submitted to this office by Mr. Michael C. McKeogh, Attorney in Fact, LLOG Exploration Company, L.L.C. (successor in title from Energy Development Corporation) and Mr. Albert Mintz, President, Avrico, Inc., relative to requirements on obtaining a mineral lease in the White Lake, Vermilion Parish, Louisiana.

s/Gus C. Rodemacher  
Secretary  
Office of Mineral Resources

**TRACT 38582 - Vermilion Parish, Louisiana**

A portion of the bed and bottom of White Lake created by shoreline erosion since November of 1942, and therefore not in existence at the time Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature was enacted, claimed as one hundred percent (100%) owned by the State of Louisiana, not presently under mineral lease and cross hatched by the State of Louisiana on September 13, 2006 and being more particularly described as follows: Beginning at a point having Coordinates of X = 1,603,610.49 and Y = 418,296.85; thence North 74 degrees 08 minutes 36 seconds East 12,696.80 feet to a point having Coordinates of X = 1,615,824.15 and Y = 421,766.03; thence South approximately 2,550 feet to the 1942 Shoreline of White Lake having a Coordinate of X = 1,615,824.15; thence Northwesterly, Westerly and Southwesterly along the meanders of said 1942 Shoreline to an intersection point on the North boundary of the Northwestern portion of State lease No. 11151, as amended, having a Coordinate of Y = 416,252.50; thence West approximately 1,285 feet along the North boundary of said Northwestern portion of State Lease No. 11151 to a point having Coordinates of X = 1,603,610.49 and Y = 416,252.50; thence North 2,044.35 feet to the point of beginning, **LESS AND EXCEPT** that portion, if any, of the above described tract which may lie within State Lease No. 11151, as amended, containing approximately **38 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, (South Zone).

NOTE: Any lease on this Tract shall contain the following language, to wit: "Should a title dispute arise regarding this leased acreage and litigation ensue, lessee herein agrees to pay the State as billed by the State, any and all legal costs incurred by the State of Louisiana in defending its title to said leased acreage up to a maximum aggregate amount of one hundred fifty thousand and no/100 dollars (\$150,000.00) for all leases in the same area by the same lessee."

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.

Lessee will be subject to operations on this tract that conform with the following provisions:

No activities will be allowed without written authorization of the Louisiana Department of Wildlife and Fisheries. All projects will be coordinated and approved by the White Lake Wetlands Conservation Area Supervisor prior to any activities on the conservation area.

Proposed projects will be evaluated on a case by case basis. Modifications to proposed project features including but not limited to access routes, well sites, flowlines and appurtenant structures may be required by the Louisiana Department of Wildlife and Fisheries.

No activities will be allowed to traverse or breach the emergent segment of the White Lake Shoreline

Compensatory mitigation will be required to offset unavoidable habitat impacts.

Removal of all structures, facilities and equipment will be required within 120 days of abandonment unless otherwise agreed to by the Department.

No activities will be allowed during the hunting season unless approved by the department.

Prior to submitting applications for wetland permits to Federal and State permitting agencies, the leaseholder shall coordinate project details with the Department.

A minimum bonus of \$350.00 per acre and a minimum royalty of 25% will be required.

Applicant: SOUTH LOUISIANA MINERALS, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

**Legend**

- 06090055 Wildlife
- 06090055water2 Active\_Leases
- DOQA2004

VERMILION PARISH

WHITE LAKE WETLANDS CONSERVATION AREA

T14S - R2W

WHITE LAKE

SL 11151

SL 11151

P.O.B.



**TRACT 38583 - Vermilion Parish, Louisiana**

A portion of the bed and bottom of White Lake created by shoreline erosion since November of 1942, and therefore not in existence at the time Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature was enacted, claimed as one hundred percent (100%) owned by the State of Louisiana, not presently under mineral lease and cross hatched by the State of Louisiana on September 13, 2006 and being more particularly described as follows: Beginning at a point having Coordinates of X = 1,615,824.15 and Y = 421,766.03; thence South 63 degrees 50 minutes 41 seconds East 15,262.99 feet to a point having Coordinates of X = 1,629,524.25 and Y = 415,038.02; thence South 3,300.00 feet to a point on the North boundary of State Lease No. 18648 having Coordinates of X = 1,629,524.25 and Y = 411,738.02; thence West approximately 2,000 feet along the North boundary of said State Lease No. 18648 to the 1942 Shoreline of White Lake having a Coordinate of Y = 411,738.02; thence Northwesterly along the meanders of said 1942 Shoreline to a point having a Coordinate of X = 1,615,824.15; thence North approximately 2,550 feet to the point of beginning, **LESS AND EXCEPT** that portion, if any, of the above described tract which may lie within State Lease No. 18648, containing approximately **142 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, (South Zone).

NOTE: Any lease on this Tract shall contain the following language, to wit: "Should a title dispute arise regarding this leased acreage and litigation ensue, lessee herein agrees to pay the State as billed by the State, any and all legal costs incurred by the State of Louisiana in defending its title to said leased acreage up to a maximum aggregate amount of one hundred fifty thousand and no/100 dollars (\$150,000.00) for all leases in the same area by the same lessee."

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.

Lessee will be subject to operations on this tract that conform with the following provisions:

No activities will be allowed without written authorization of the Louisiana Department of Wildlife and Fisheries. All projects will be coordinated and approved by the White Lake Wetlands Conservation Area Supervisor prior to any activities on the conservation area.

Proposed projects will be evaluated on a case by case basis. Modifications to proposed project features including but not limited to access routes, well sites, flowlines and appurtenant structures may be required by the Louisiana Department of Wildlife and Fisheries.

No activities will be allowed to traverse or breach the emergent segment of the White Lake Shoreline

Compensatory mitigation will be required to offset unavoidable habitat impacts.

Removal of all structures, facilities and equipment will be required within 120 days of abandonment unless otherwise agreed to by the Department.

No activities will be allowed during the hunting season unless approved by the department.

Prior to submitting applications for wetland permits to Federal and State permitting agencies, the leaseholder shall coordinate project details with the Department.

A minimum bonus of \$350.00 per acre and a minimum royalty of 25% will be required.



Applicant: SOUTH LOUISIANA MINERALS, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

**Legend**

-  06090056
-  Wildlife
-  06090056water2
-  Active\_Leases

**DOQQ2004**



SL 18648

VERMILION PARISH

WHITE LAKE WETLANDS CONSERVATION AREA

WHITE LAKE

P.O.B.



**TRACT 38584 - Vermilion Parish, Louisiana**

A portion of the entirety of the beds and bottoms embraced within the meander of the shoreline as same existed in 1942, located in any parts of Township 14 South, Ranges 1, 2 and 3 West and 1 East, and Township 15 South, Ranges 1, 2 and 3 West and 1 East, the entirety of said described area being deemed to comprise 50,000 acres, whether actually more or less, not presently under mineral lease and cross hatched from the State on September 13, 2006, and not formerly adjudicated in fee ownership to any party other than the State of Louisiana; which property is subject to the provisions of Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature requiring the successful bidder, within sixty (60) days of obtaining a mineral lease from the State of Louisiana, to obtain additional leases on the same property from LLOG Exploration Company, L.L.C. (successor in title to Energy Development Corp.) and Avrico, Inc. [both successors in title to Acadian Vermilion Rice Irrigation Company, Inc.] containing terms not substantially different from and further containing a bonus and royalty not less than one-half (1/2) of those contained in the lease taken from the State of Louisiana, being more specifically described as follows: Beginning at the Northeast corner of the Southeastern portion of State Lease No. 11151, as amended, having Coordinates of X = 1,610,525.43 and Y = 412,601.35; thence North 89 degrees 22 minutes 00 seconds West 2,742.71 feet along the North boundary of the said Southeastern portion of State Lease No. 11151 to its Northwest corner, also being a point on the Eastern boundary of State Lease No. 540, as amended, having Coordinates of X = 1,607,782.88 and Y = 412,631.67; thence North 00 degrees 38 minutes 00 seconds East 1,120.90 feet along the said Eastern boundary of State Lease No. 540 to its most Northerly Northeast corner having Coordinates of X = 1,607,795.27 and Y = 413,752.50; thence West 1,764.08 feet along the Northern boundary of said State Lease No. 540 to the Southeast corner of the Northwestern portion of said State Lease No. 11151 having Coordinates of X = 1,606,031.19 and Y = 413,752.50; thence along the boundary of the Northwestern portion of said State Lease No. 11151 the following courses: North 1,400.00 feet to a point having Coordinates of X = 1,606,031.19 and Y = 415,152.50; South 69 degrees 43 minutes 04 seconds East 151.05 feet to a point having Coordinates of X = 1,606,172.87 and Y = 415,100.14; North 26 degrees 19 minutes 18 seconds West 220.75 feet to a point having Coordinates of X = 1,606,074.99 and Y = 415,298.00; North 42 degrees 55 minutes 48 seconds West 411.10 feet to a point having Coordinates of X = 1,605,794.99 and Y = 415,599.00; North 51 degrees 36 minutes 36 seconds West 497.58 feet to a point having Coordinates of X = 1,605,404.99 and Y = 415,908.01; North 17 degrees 07 minutes 49 seconds East 152.78 feet to a point having Coordinates of X = 1,605,449.99 and Y = 416,054.01; North 40 degrees 46 minutes 20 seconds East 262.10 feet to a point having Coordinates of X = 1,605,621.15 and Y = 416,252.50 and West approximately 725 feet to a point on the 1942 Shoreline of White Lake having a Coordinate of Y = 416,252.50; thence Northeasterly, Easterly and Southeasterly along said 1942 Shoreline to a point having a Coordinate of X = 1,615,824.16; thence South approximately 7,990 feet to the Northeast corner of State Lease No. 18941

having Coordinates of X = 1,615,824.15 and Y = 411,225.66; thence West 5,306.64 feet along the North boundary of said State Lease No. 18941 to its Northwest corner having Coordinates of X = 1,610,517.51 and Y = 411,225.66; thence North 00 degrees 38 minutes 00 East 716.58 feet along the Eastern boundary of said State Lease No. 540 to the Southeast corner of the Southeastern portion of said State Lease No. 11151 having Coordinates of X = 1,610,525.42 and Y = 411,942.20; thence North 659.15 feet along the East boundary of the Southeastern portion of said State Lease No. 11151 to the point of beginning, **LESS AND EXCEPT** that portion, if any, of the above described tract which may lie within State Lease No. 11151, as amended, containing approximately **1,527 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, (South Zone).

NOTE: The maximum primary term for any lease of this tract is three (3) years and further, the aggregate total royalty in leases from the State of Louisiana, LLOG Exploration Company, L.L.C. and Avrico, Inc. on this tract shall not equal less than twenty-five percent (25%). All leases, including the State lease shall contain a paragraph providing that, at the end of the primary term of the lease, Lessee shall release in favor of Lessor all of Lessee's right, title and interest in such lease as to all depths one hundred feet (100') below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at that time.

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: SOUTH LOUISIANA MINERALS, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

**Legend**

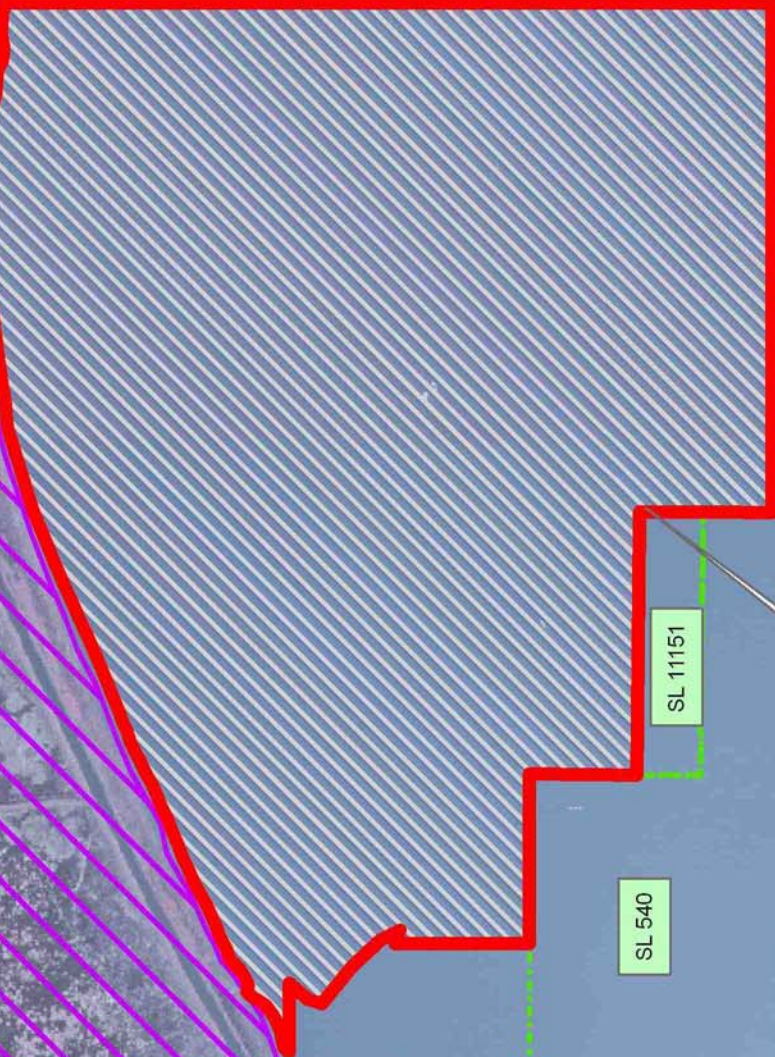
-  06090060
-  Wildlife
-  06090060:water2
-  Active\_Leases

**DOQQ2004**

VERMILION PARISH

WHITE LAKE WETLANDS CONSERVATION AREA

T14S - R2W



SL 11151

SL 540

SL 11151

SL 18941

SL 18942

P.O.B.

WHITE LAKE

**TRACT 38585 - Vermilion Parish, Louisiana**

A portion of the entirety of the beds and bottoms embraced within the meander of the shoreline as same existed in 1942, located in any parts of Township 14 South, Ranges 1, 2 and 3 West and 1 East, and Township 15 South, Ranges 1, 2 and 3 West and 1 East, the entirety of said described area being deemed to comprise 50,000 acres, whether actually more or less, not presently under mineral lease and cross hatched from the State on September 13, 2006, and not formerly adjudicated in fee ownership to any party other than the State of Louisiana; which property is subject to the provisions of Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature requiring the successful bidder, within sixty (60) days of obtaining a mineral lease from the State of Louisiana, to obtain additional leases on the same property from LLOG Exploration Company, L.L.C. (successor in title to Energy Development Corp.) and Avrico, Inc. [both successors in title to Acadian Vermilion Rice Irrigation Company, Inc.] containing terms not substantially different from and further containing a bonus and royalty not less than one-half (1/2) of those contained in the lease taken from the State of Louisiana, being more specifically described as follows: Beginning at a point having Coordinates of X = 1,615,824.16 and Y = 412,731.03; thence North approximately 6,485 feet to a point on the 1942 Shoreline of White Lake having a Coordinate of X = 1,615,824.16; thence Southeasterly along the meanders of said 1942 Shoreline to a point having a Coordinate of Y = 412,731.03; thence West approximately 10,756 feet to the point of beginning, containing approximately **948 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, (South Zone).

NOTE: The maximum primary term for any lease of this tract is three (3) years and further, the aggregate total royalty in leases from the State of Louisiana, LLOG Exploration Company, L.L.C. and Avrico, Inc. on this tract shall not equal less than twenty-five percent (25%). All leases, including the State lease shall contain a paragraph providing that, at the end of the primary term of the lease, Lessee shall release in favor of Lessor all of Lessee's right, title and interest in such lease as to all depths one hundred feet (100') below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at that time.

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: SOUTH LOUISIANA MINERALS, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



**Legend**

- 06090057
- Wildlife
- 06090057/water3
- DOQQ2004

VERMILION PARISH

WHITE LAKE WETLANDS CONSERVATION AREA

T14S - R1W

WHITE LAKE

P.O.B.



**TRACT 38586 - Vermilion Parish, Louisiana**

A portion of the entirety of the beds and bottoms embraced within the meander of the shoreline as same existed in 1942, located in any parts of Township 14 South, Ranges 1, 2 and 3 West and 1 East, and Township 15 South, Ranges 1, 2 and 3 West and 1 East, the entirety of said described area being deemed to comprise 50,000 acres, whether actually more or less, not presently under mineral lease and cross hatched from the State on September 13, 2006, and not formerly adjudicated in fee ownership to any party other than the State of Louisiana; which property is subject to the provisions of Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature requiring the successful bidder, within sixty (60) days of obtaining a mineral lease from the State of Louisiana, to obtain additional leases on the same property from LLOG Exploration Company, L.L.C. (successor in title to Energy Development Corp.) and Avrico, Inc. [both successors in title to Acadian Vermilion Rice Irrigation Company, Inc.] containing terms not substantially different from and further containing a bonus and royalty not less than one-half (1/2) of those contained in the lease taken from the State of Louisiana, being more specifically described as follows: Beginning at a point having Coordinates of X = 1,615,824.16 and Y = 412,731.03; thence East approximately 10,756 feet to a point on the 1942 Shoreline of White Lake having a Coordinate of Y = 412,731.03; thence Southeasterly along the meanders of said 1942 Shoreline to the Northwest corner of State Lease No. 18648 having a Coordinate of Y = 411,738.02; thence Southeasterly along the meanders of said 1942 Shoreline and the West boundary of State Lease No. 18648 to a point having a Coordinate of Y = 406,080.60; thence West approximately 13,245 feet to a point on the Eastern boundary of State Lease No. 540, as amended, having Coordinates of X = 1,615,790.96 and Y = 406,080.60; thence North 00 degrees 38 minutes 00 seconds East 625.16 feet to the Southwest corner of State Lease No. 18942 having Coordinates of X = 1,615,797.88 and Y = 406,705.72; thence along the boundary of said State Lease No. 18942 the following courses: East 4,133.87 feet to its Southeast corner having Coordinates of X = 1,619,931.75 and Y = 406,705.72; North 2,879.72 feet to its Northeast corner having Coordinates of X = 1,619,931.75 and Y = 409,585.44 and North 72 degrees 11 minutes 04 seconds West 4,314.50 feet to its Northwest corner, also being a point on the East boundary of State Lease No. 18941 having Coordinates of X = 1,615,824.15 and Y = 410,905.48; thence North 320.18 feet along the East boundary of said State Lease No. 18941 to its Northeast corner having Coordinates of X = 1,615,824.15 and Y = 411,225.66; thence North 1,505.36 feet to the point of beginning, **LESS AND EXCEPT** that portion, if any, of the above described tract which may lie within State Lease No. 18648, containing approximately **1,590 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, (South Zone).

NOTE: The maximum primary term for any lease of this tract is three (3) years and further, the aggregate total royalty in leases from the State of

Louisiana, LLOG Exploration Company, L.L.C. and Avrico, Inc. on this tract shall not equal less than twenty-five percent (25%). All leases, including the State lease shall contain a paragraph providing that, at the end of the primary term of the lease, Lessee shall release in favor of Lessor all of Lessee's right, title and interest in such lease as to all depths one hundred feet (100') below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at that time.

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.

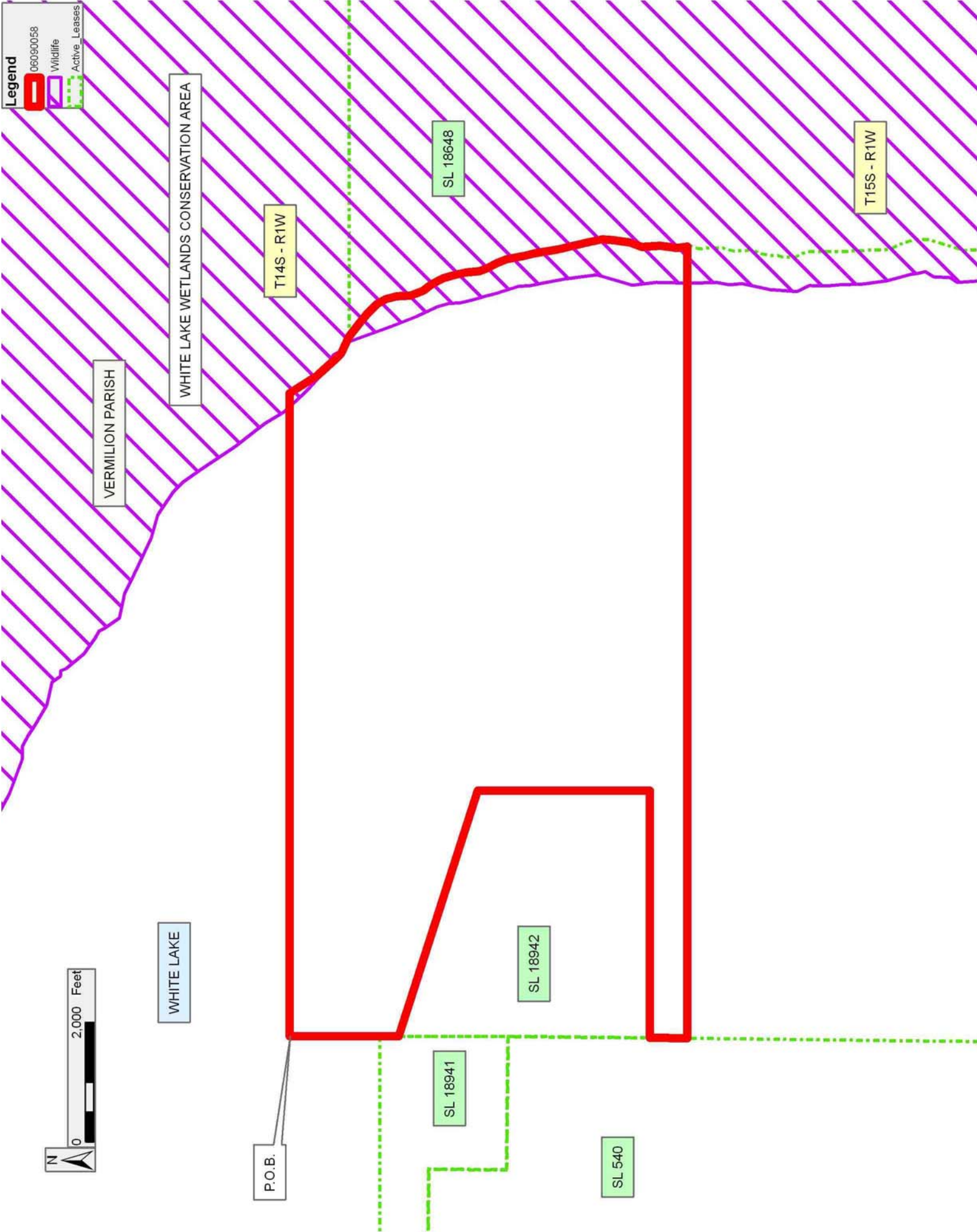
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing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

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

**Legend**

- 06090058
- Wildlife
- Active Leases



**TRACT 38587 - Vermilion Parish, Louisiana**

A portion of the entirety of the beds and bottoms embraced within the meander of the shoreline as same existed in 1942, located in any parts of Township 14 South, Ranges 1, 2 and 3 West and 1 East, and Township 15 South, Ranges 1, 2 and 3 West and 1 East, the entirety of said described area being deemed to comprise 50,000 acres, whether actually more or less, not presently under mineral lease and cross hatched from the State on September 13, 2006, and not formerly adjudicated in fee ownership to any party other than the State of Louisiana; which property is subject to the provisions of Special Act No. 92 of the 1942 Regular Session of the Louisiana Legislature requiring the successful bidder, within sixty (60) days of obtaining a mineral lease from the State of Louisiana, to obtain additional leases on the same property from LLOG Exploration Company, L.L.C. (successor in title to Energy Development Corp.) and Avrico, Inc. [both successors in title to Acadian Vermilion Rice Irrigation Company, Inc.] containing terms not substantially different from and further containing a bonus and royalty not less than one-half (1/2) of those contained in the lease taken from the State of Louisiana, being more specifically described as follows: Beginning at a point on the East boundary of State Lease No. 540, as amended, having Coordinates of X = 1,615,790.96 and Y = 406,080.60; thence East approximately 13,245 feet to a point on the 1942 Shoreline of White Lake, also being the West boundary of State Lease No. 18648 having a Coordinate of Y = 406,080.60; thence Southerly along the meanders of said 1942 Shoreline and West boundary of State Lease No. 18648 to a point having a Coordinate of Y = 400,924.60; thence South approximately 2,244 feet to a point having Coordinates of X = 1,629,055.74 and Y = 398,680.60; thence West 13,346.57 feet to a point on the East boundary of said State Lease No. 540 having Coordinates of X = 1,615,709.16 and Y = 398,680.60; thence North 00 degrees 38 minutes 00 seconds East 3,243.53 feet along the said East boundary of said State Lease No. 540, as amended, to the Southwest corner of State Lease No. 5951, as amended, having Coordinates of X = 1,615,745.01 and Y = 401,923.92; thence along the boundary of said State Lease No. 5951 the following courses: South 88 degrees 48 minutes 17 seconds East 428.09 feet to a point having Coordinates of X = 1,616,173.01 and Y = 401,914.99; North 39 degrees 03 minutes 25 seconds East 450.73 feet to a point having Coordinates of X = 1,616,457.01 and Y = 402,265.00; Northeasterly along a curve to the left having a radius of 2,208.00 feet and a center at X = 1,614,820.95 and Y = 403,747.76 to a point having Coordinates of X = 1,616,911.43 and Y = 403,036.99; Northwesterly along a curve to the left having a radius of 1,108.00 feet and a center at X = 1,615,876.98 and Y = 403,433.96 to a point having Coordinates of X = 1,616,560.51 and Y = 404,306.00; North 51 degrees 36 minutes 33 seconds West 190.16 feet to a point having Coordinates of X = 1,616,411.46 and Y = 404,424.09; Northwesterly along a curve to the left having a radius of 910.50 feet and a center at X = 1,615,512.95 and Y = 404,571.39 to a point having Coordinates of X = 1,616,274.20 and Y = 405,070.90; North 33 degrees 20 minutes 27 seconds East 81.52 feet to a point having Coordinates of X = 1,616,319.00 and Y = 405,139.00; North 71 degrees 53 minutes 38 seconds

West 126.26 feet to a point having Coordinates of X = 1,616,199.00 and Y = 405,178.24; Northwesterly along a curve to the left having a radius of 3,700.00 feet and a center at X = 1,613,199.37 and Y = 403,012.08 to a point having Coordinates of X = 1,616,080.18 and Y = 405,333.92; West 297.47 feet to its Northwest corner, also being a point on the East boundary of said State Lease No. 540 having Coordinates of X = 1,615,782.71 and Y = 405,333.92; thence North 00 degrees 38 minutes 00 seconds East 746.72 feet along the said East boundary of said State Lease No. 540 to the point of beginning, **LESS AND EXCEPT** that portion, if any, of the above described tract which may lie within State Lease No. 18648, containing approximately **2,181 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, (South Zone).

NOTE: The maximum primary term for any lease of this tract is three (3) years and further, the aggregate total royalty in leases from the State of Louisiana, LLOG Exploration Company, L.L.C. and Avrico, Inc. on this tract shall not equal less than twenty-five percent (25%). All leases, including the State lease shall contain a paragraph providing that, at the end of the primary term of the lease, Lessee shall release in favor of Lessor all of Lessee's right, title and interest in such lease as to all depths one hundred feet (100') below the deepest formation producing, or deepest formation, behind pipe, capable of producing, at that time.

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: SOUTH LOUISIANA MINERALS, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

**Legend**

-  06090059
-  Wildlife
-  06090059.water2
-  Active\_Leases

**DOQQ2004**

WHITE LAKE  
WETLANDS CONSERVATION  
AREA

T14S - R1W

T15S - R1W

SL 18648

VERMILION PARISH

WHITE LAKE

P.O.B.

SL 5951

SL 540

