

LLOG EXPLORATION COMPANY, L.L.C.
433 Metairie Road, Suite 600
Metairie, Louisiana 70005
July 20, 2007

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. Anthony Fontenot

RE: State Lease Sale Dated September 12, 2007
Fifteen (15) 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 12, 2007, 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/Victor Vaughn
Acting Assistant Secretary
Office of Mineral Resources

TRACT 39381 - 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 from the State on September 12, 2007, 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 Avrigo, 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 9,815.49 feet to a point having Coordinates of X = 1,625,606.46 and Y = 406,080.60; thence South 03 degrees 48 minutes 16 seconds West 7,416.34 feet to a point having Coordinates of X = 1,625,114.38 and Y = 398,680.60; thence West 9,405.22 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 7,400.45 feet along the East boundary of said State Lease No. 540 to the point of beginning, containing approximately **1,632.61 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 Avrigo, 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 Office of Mineral Resources will require a minimum bonus of \$200 per acre.

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: OIL AND GAS RESOURCES, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

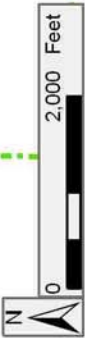
VERMILION PARISH

WHITE LAKE

P.O.B.



SL 540



TRACT 39382 - 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 from the State on September 12, 2007, 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 Southeast corner of State Lease No. 16854 having Coordinates of X = 1,635,162.40 and Y = 394,745.00; thence South 3,495.00 feet to a point on the North boundary of State Lease No. 18090 having Coordinates of X = 1,635,162.40 and Y = 391,250.00; thence West 10,542.13 feet along the North boundary of said State Lease No. 18090 to a point having Coordinates of X = 1,624,620.27 and Y = 391,250.00; thence North 03 degrees 48 minutes 16 seconds East 14,863.35 to a point having Coordinates of X = 1,625,606.46 and Y = 406,080.60; thence East approximately 3,430 feet to a point on the 1942 Shoreline of White Lake having a Coordinate of Y = 406,080.60; thence Southerly and Easterly along the meanders of said 1942 Shoreline to the Northwest corner of said State Lease No. 16854; thence along the boundary of said State Lease No. 16854 the following courses: South 24 degrees 37 minutes 13 seconds East approximately 4,786 feet to a point having Coordinates of X = 1,633,432.11 and Y = 394,745.00 and East 1,730.29 feet to the point of beginning, **LESS AND EXCEPT** that portion, if any, of State Lease No. 16853, State Lease No. 16854 and State Lease No. 18648 that may lie within the above described tract, containing approximately **2,178 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 Office of Mineral Resources will require a minimum bonus of \$200.00 per acre.

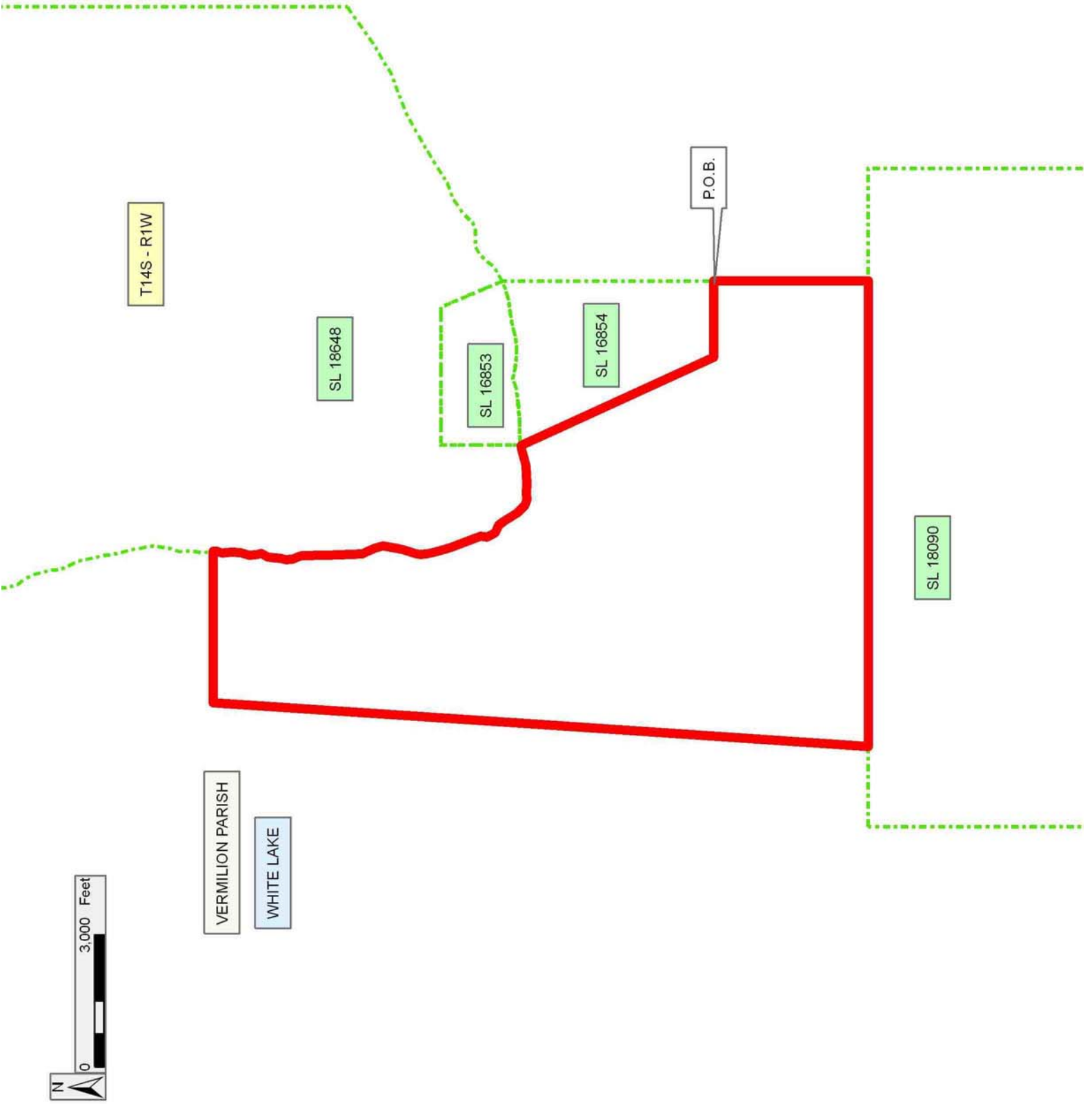
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing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

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

Legend

07090014
Active_Leases



TRACT 39383 - 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 from the State on September 12, 2007, 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 = 1,649,463.60 and Y = 400,924.30; thence East 9,918.97 feet to a point on the Exxon/State Ownership Boundary Line having Coordinates of X = 1,659,382.57 and Y = 400,924.30; thence South 04 degrees 08 minutes 46 seconds West 6,222.32 feet along said line to a point having Coordinates of X = 1,658,932.70 and Y = 394,718.26; thence West 9,469.10 feet to a point having Coordinates of X = 1,649,463.60 and Y = 394,718.26; thence North 6,206.04 feet to the point of beginning, containing approximately **1,381.12 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.

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

NOTE: The Office of Mineral Resources will require a minimum bonus of \$200 per acre.

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: OIL AND GAS RESOURCES, INC.

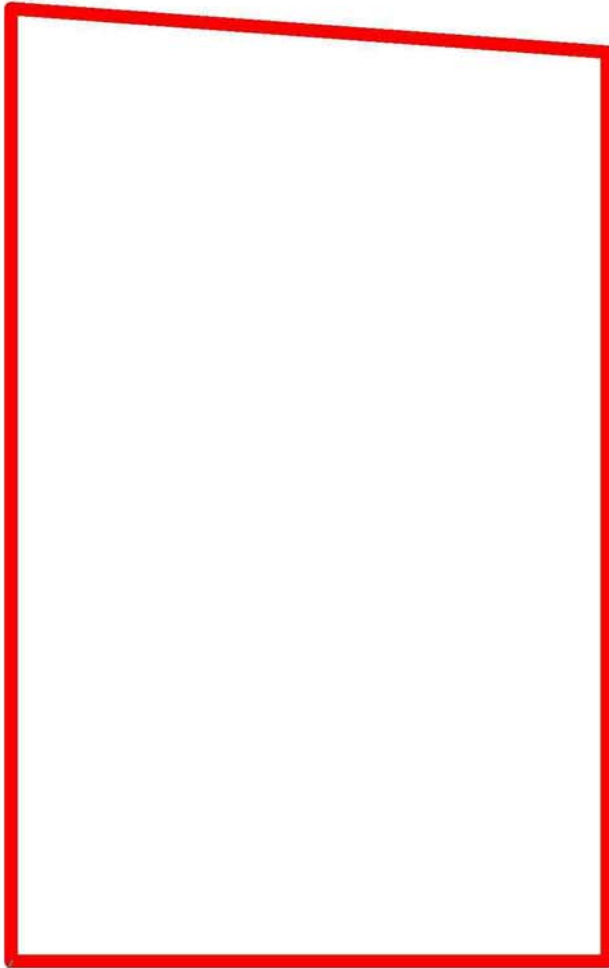
Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



VERMILION PARISH

WHITE LAKE

P.O.B.



TRACT 39384 - 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 from the State on September 12, 2007, 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 Southeast corner of State Lease No. 16854 having Coordinates of X = 1,635,162.40 and Y = 394,745.00; thence North 500.00 feet along the East boundary of said State Lease No. 16854 to the Southwest corner of State Lease No. 16855 having Coordinates of X = 1,635,162.40 and Y = 395,245.00; thence along the boundary of said State Lease No. 16855 the following courses: East 330.00 feet to a point having Coordinates of X = 1,635,492.40 and Y = 395,245.00; North 330.00 feet to a point having Coordinates of X = 1,635,492.40 and Y = 395,575.00; East 330.00 feet to a point having Coordinates of X = 1,635,822.40 and Y = 395,575.00; North 990.00 feet to a point having Coordinates of X = 1,635,822.40 and Y = 396,565.00; West 330.00 feet to a point having Coordinates of X = 1,635,492.40 and Y = 396,565.00; North 660.00 feet to a point having Coordinates of X = 1,635,492.40 and Y = 397,225.00 and West 330.00 feet to its Northwest corner, also being a point on the East boundary of said State Lease No. 16854 having Coordinates of X = 1,635,162.40 and Y = 397,225.00; thence North approximately 2,317 feet along the East boundary of said State Lease No. 16854 to its Northeast corner, also being a point on the 1942 Shoreline of White Lake having a Coordinate of X = 1,635,162.40; thence Northeasterly along the meanders of said 1942 Shoreline to a point having a Coordinate of Y = 400,924.30; thence East approximately 11,864 feet to a point having Coordinates of X = 1,649,463.60 and Y = 400,924.30; thence South 6,206.04 feet to a point having Coordinates of X = 1,649,463.60 and Y = 394,718.26; thence West 11,763.60 feet to a point having Coordinates of X = 1,637,700.00 and Y = 394,718.26; thence North 89 degrees 23 minutes 47 seconds West 2,537.74 feet to the point of beginning, **LESS AND EXCEPT** that portion, if any, of State Lease No. 16853, State Lease No. 16854 and State Lease No. 18648 that may lie within the above described tract, containing approximately **1,973 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).

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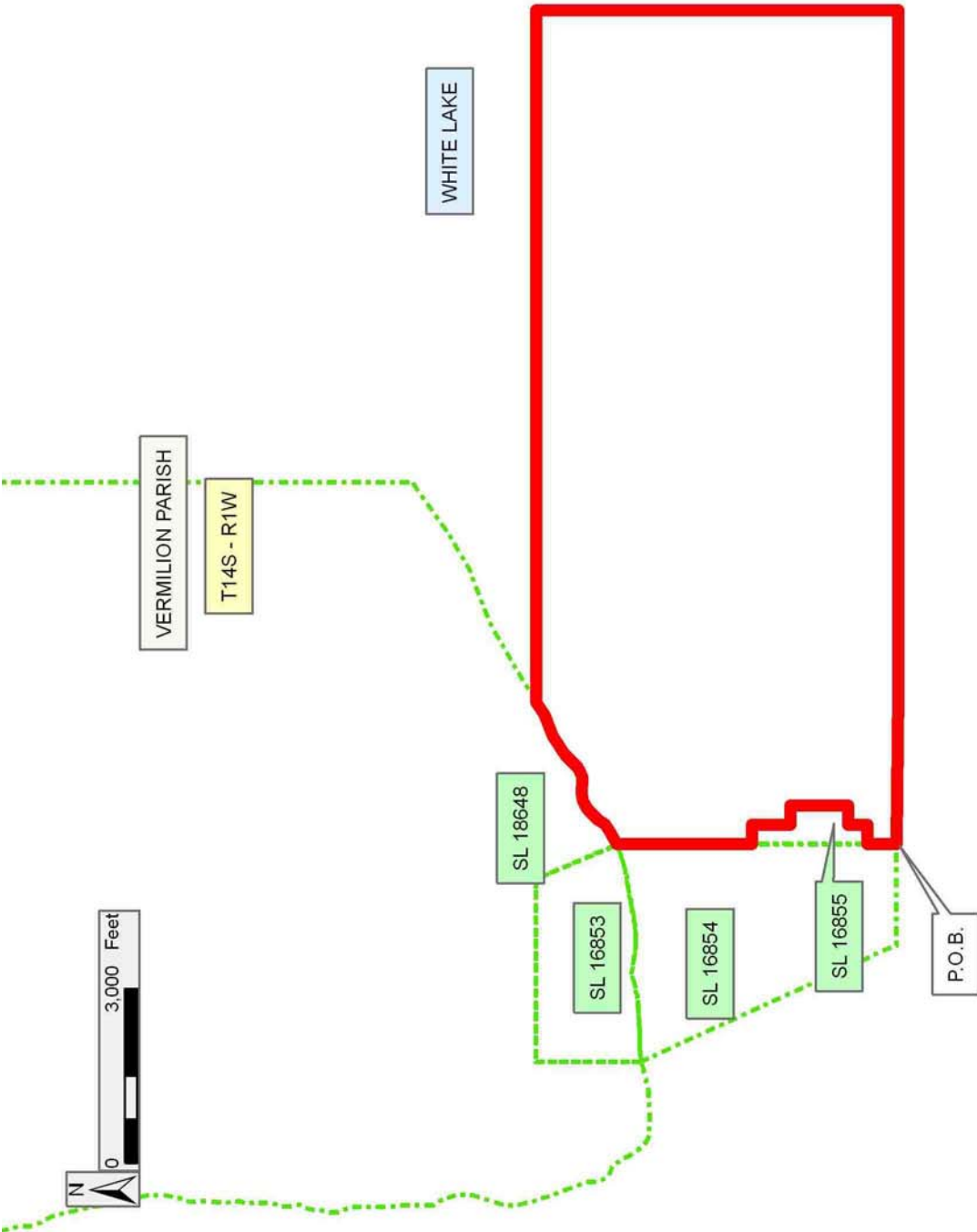
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NOTE: The Office of Mineral Resources will require a minimum bonus of \$200.00 per acre.

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: OIL AND GAS RESOURCES, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



TRACT 39385 - 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 from the State on September 12, 2007, 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 = 1,615,709.16 and Y = 398,680.60; thence East 9,405.22 feet to a point having Coordinates of X = 1,625,114.38 and Y = 398,680.60; thence South 03 degrees 48 minutes 16 seconds West 7,447.01 feet to a point on the North boundary of State Lease No. 18090 having Coordinates of X = 1,624,620.27 and Y = 391,250.00; thence West 1,820.27 feet along the North boundary of said State Lease No. 18090 to its Northwest corner having Coordinates of X = 1,622,800.00 and Y = 391,250.00; thence West 4,625.00 feet to the Northeast corner of State Lease No. 18943 having Coordinates of X = 1,618,175.00 and Y = 391,250.00; thence along the boundary of said State Lease No. 18943 the following courses: West 9,130.00 feet to a point having Coordinates of X = 1,609,045.00 and Y = 391,250.00 and South 1,500.00 feet to the Northeast corner of State Lease No. 18946 having Coordinates of X = 1,609,045.00 and Y = 389,750.00; thence West 845.80 feet along the North boundary of said State Lease No. 18946 to its Northwest corner having Coordinates of X = 1,608,199.20 and Y = 389,750.00; thence North 5,263.99 feet to the Southwest corner of State Lease No. 15038, as amended, having Coordinates of X = 1,608,199.20 and Y = 395,013.99; thence along the boundary of said State Lease No. 15038 the following courses: East 7,493.20 feet to a point having Coordinates of X = 1,615,692.40 and Y = 395,013.99 and North 2,150.21 feet to its Northeast corner, also being the Southeast corner of said State Lease No. 540 having Coordinates of X = 1,615,692.40 and Y = 397,164.20; thence North 00 degrees 38 minutes 00 seconds East 1,516.49 feet along the East boundary of said State Lease No. 540 to the point of beginning, containing approximately **2,241.40 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.

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NOTE: The Office of Mineral Resources will require a minimum bonus of \$200 per acre.

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Applicant: OIL AND GAS RESOURCES, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

VERMILION PARISH

WHITE LAKE

P.O.B.

SL 540

SL 15038

SL 18943

SL 18090

SL 18946



TRACT 39386 - 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 from the State on September 12, 2007, 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 Southeast corner of State Lease No. 16854 having Coordinates of X = 1,635,162.40 and Y = 394,745.00; thence South 89 degrees 23 minutes 47 seconds East 2,537.74 feet to a point having Coordinates of X = 1,637,700.00 and Y = 394,718.26; thence East 11,763.60 feet to a point having Coordinates of X = 1,649,463.60 and Y = 394,718.26; thence South 7,529.73 feet to a point having Coordinates of X = 1,649,463.60 and Y = 387,188.53; thence West 11,763.60 feet to a point on the East boundary of State Lease No. 18090 having Coordinates of X = 1,637,700.00 and Y = 387,188.53; thence along the boundary of said State Lease No. 18090 the following courses: North 4,061.47 feet to a point having Coordinates of X = 1,637,700.00 and Y = 391,250.00 and West 2,537.60 feet to a point having Coordinates of X = 1,635,162.40 and Y = 391,250.00; thence North 3,495.00 feet to the point of beginning, containing approximately **2,236.27 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 Office of Mineral Resources will require a minimum bonus of \$200 per acre.

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.

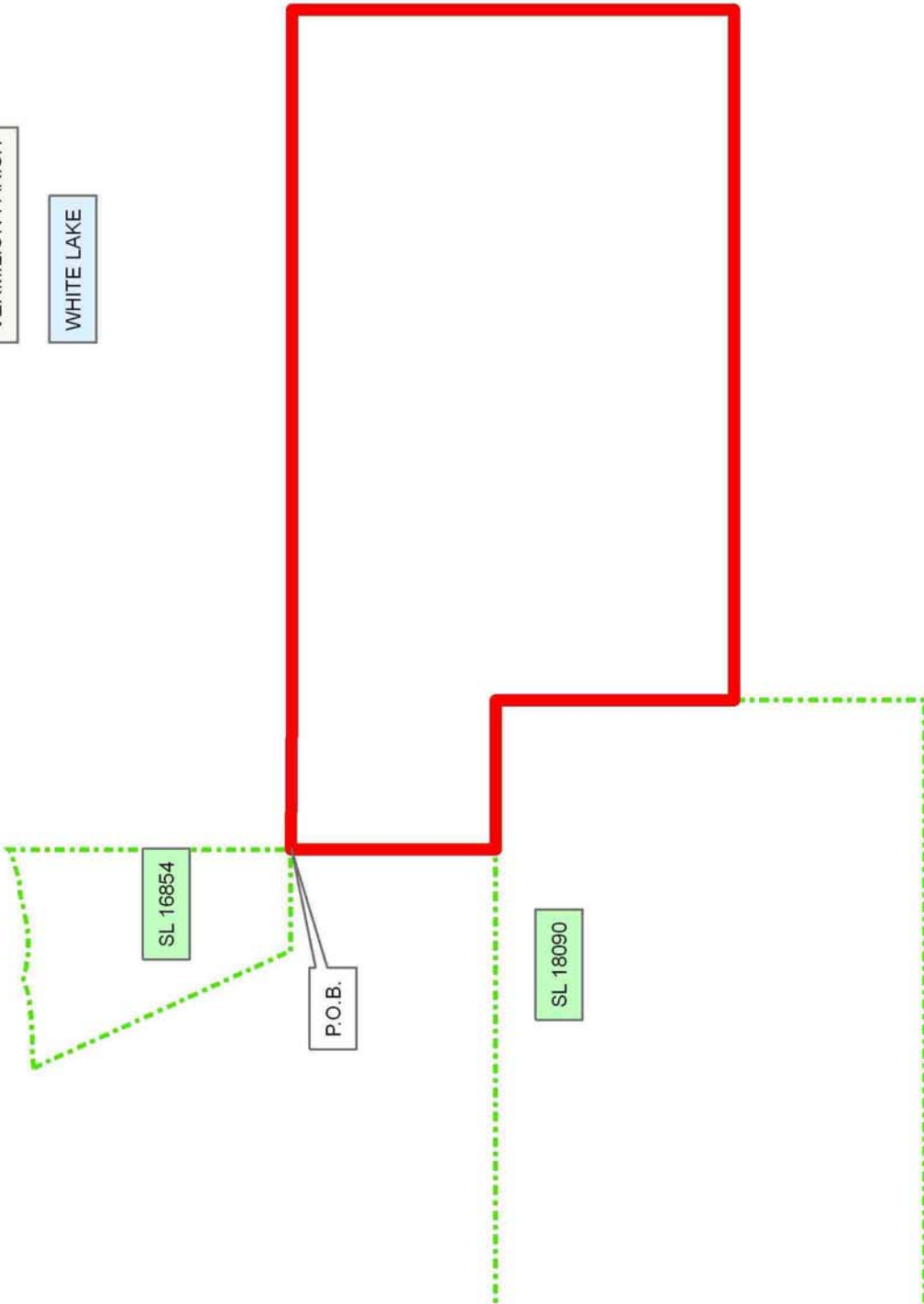
Applicant: OIL AND GAS RESOURCES, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



VERMILION PARISH

WHITE LAKE



TRACT 39387 - 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 from the State on September 12, 2007, 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 = 1,649,463.60 and Y = 394,718.26; thence East 9,469.10 feet to a point on the Exxon/State Ownership Boundary Line having Coordinates of X = 1,658,932.70 and Y = 394,718.26; thence South 04 degrees 08 minutes 46 seconds West 7,549.49 feet along said line to a point having Coordinates of X = 1,658,386.87 and Y = 387,188.53; thence West 8,923.27 feet to a point having Coordinates of X = 1,649,463.60 and Y = 387,188.53; thence North 7,529.73 feet to the point of beginning, containing approximately **1,589.64 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 Office of Mineral Resources will require a minimum bonus of \$200 per acre.

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: OIL AND GAS RESOURCES, INC.

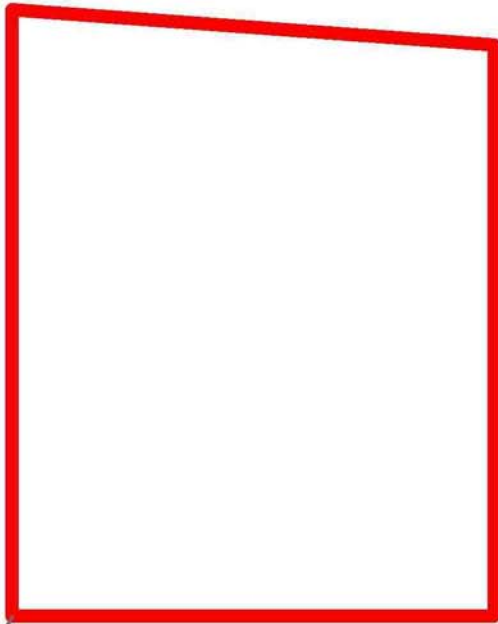
Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



VERMILION PARISH

WHITE LAKE

P.O.B.



TRACT 39388 - 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 from the State on September 12, 2007, 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 Northwest corner of State Lease No. 18090 having Coordinates of X = 1,622,800.00 and Y = 391,250.00; thence South 7,308.00 feet along the West boundary of said State Lease No. 18090 to its Southwest corner, also being the Northwest corner of State Lease No. 18091 having Coordinates of X = 1,622,800.00 and Y = 383,942.00; thence South 4,632.00 feet along the West boundary of said State Lease No. 18091 to the Northeast corner of State Lease No. 18200 having Coordinates of X = 1,622,800.00 and Y = 379,310.00; thence along the boundary of said State Lease No. 18200 the following courses: West 643.00 feet to a point having Coordinates of X = 1,622,157.00 and Y = 379,310.00; South 1,400.00 feet to a point having Coordinates of X = 1,622,157.00 and Y = 377,910.00; West 1,500.00 feet to a point having Coordinates of X = 1,620,657.00 and Y = 377,910.00; South 1,375.00 feet to a point having Coordinates of X = 1,620,657.00 and Y = 376,535.00; West 2,100.00 feet to a point having Coordinates of X = 1,618,557.00 and Y = 376,535.00 and South approximately 283 feet to a point on the 1942 Shoreline of White Lake having a Coordinate of X = 1,618,557.00; thence along the meanders of said 1942 Shoreline the following: Westerly and Northwesterly to the Southwest corner of State Lease No. 18947 having a Coordinate of Y = 380,097.00; thence along the boundary of said State Lease No. 18947 the following courses: East approximately 1,835 feet to a point having Coordinates of X = 1,618,175.00 and Y = 380,097.00 and North 1,240.00 feet to its Northeast corner, also being a point on the South boundary of State Lease No. 18944 having Coordinates of X = 1,618,175.00 and Y = 381,337.00; thence along the boundary of said State Lease No. 18944 the following courses: East 1,182.00 feet to a point having Coordinates of X = 1,619,357.00 and Y = 381,337.00 and North 4,428.83 feet to its Northeast corner, also being the Southeast corner of State Lease No. 18948 having Coordinates of X = 1,619,357.00 and Y = 385,765.83; thence along the boundary of said State Lease No. 18948 the following courses: North 3,879.17 feet to a point having Coordinates of X = 1,619,357.00 and Y = 389,645.00 and West

1,182.00 feet to its Northwest corner, also being a point on the East boundary of State Lease No. 18943 having Coordinates of X = 1,618,175.00 and Y = 389,645.00; thence North 1,605.00 feet along the East boundary of said State Lease No. 18943 to its Northeast corner having Coordinates of X = 1,618,175.00 and Y = 391,250.00; thence East 4,625.00 feet to the point of beginning, **LESS AND EXCEPT** that portion, if any, of State Lease No. 18200 and State Lease No. 18947 that may lie within the above described tract, containing approximately **1,332 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 Office of Mineral Resources will require a minimum bonus of \$200.00 per acre.

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: OIL AND GAS RESOURCES, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

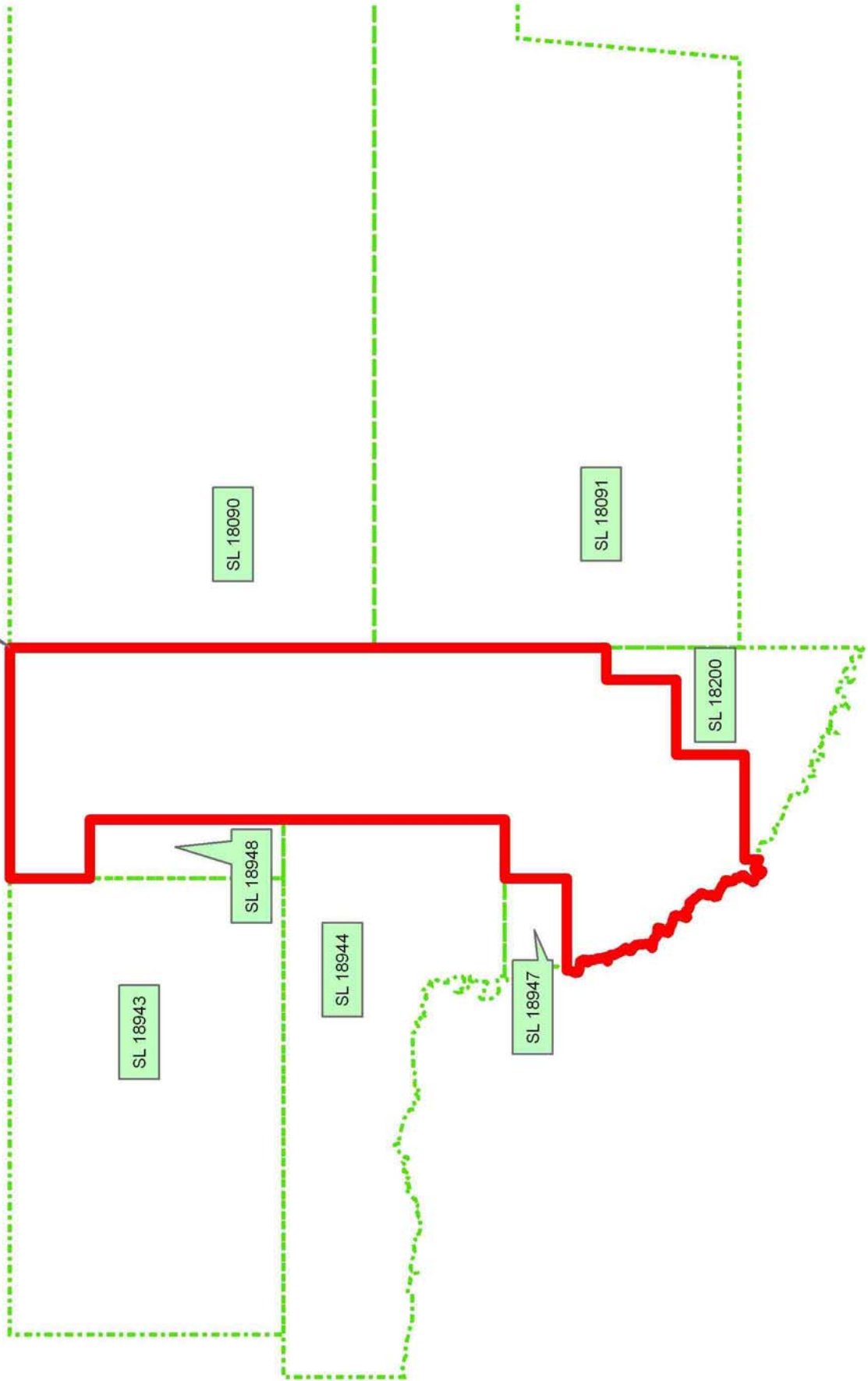
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VERMILION PARISH
WHITE LAKE

P.O.B.



TRACT 39389 - 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 from the State on September 12, 2007, 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 = 1,647,952.40 and Y = 387,188.53; thence South 1,517.79 feet to the Northeast corner of State Lease No. 3050, as amended, having Coordinates of X = 1,647,952.40 and Y = 385,670.74; thence along the boundary of said State Lease No. 3050 the following courses: North 33 degrees 42 minutes 19 seconds West 83.72 feet to a point having Coordinates of X = 1,647,905.94 and Y = 385,740.39; North 41 degrees 38 minutes 52 seconds West 166.76 feet to a point having Coordinates of X = 1,647,795.12 and Y = 385,865.00; North 52 degrees 16 minutes 09 seconds West 181.01 feet to a point having Coordinates of X = 1,647,651.96 and Y = 385,975.77; North 53 degrees 08 minutes 39 seconds West 138.51 feet to a point having Coordinates of X = 1,647,541.13 and Y = 386,058.85; North 54 degrees 10 minutes 32 seconds West 60.40 feet to a point having Coordinates of X = 1,647,492.16 and Y = 386,094.20; West 1,718.10 feet to a point having Coordinates of X = 1,645,774.06 and Y = 386,094.20; South 42 degrees 31 minutes 18 seconds West 81.92 feet to a point having Coordinates of X = 1,645,718.69 and Y = 386,033.82; South 36 degrees 30 minutes 38 seconds West 136.12 feet to a point having Coordinates of X = 1,645,637.70 and Y = 385,924.41; South 50 degrees 50 minutes 25 seconds West 155.93 feet to a point having Coordinates of X = 1,645,516.79 and Y = 385,825.94; South 47 degrees 18 minutes 18 seconds West 158.41 feet to a point having Coordinates of X = 1,645,400.36 and Y = 385,718.52; South 54 degrees 10 minutes 49 seconds West 99.41 feet to a point having Coordinates of X = 1,645,319.75 and Y = 385,660.34; South 45 degrees 00 minutes 52 seconds West 139.29 feet to a point having Coordinates of X = 1,645,221.23 and Y = 385,561.87; South 43 degrees 24 minutes 02 seconds West 449.95 feet to a point having Coordinates of X = 1,644,912.07 and Y = 385,234.95; South 45 degrees 00 minutes 54 seconds West 190.71 feet to a point having Coordinates of X = 1,644,777.18 and Y = 385,100.13; South 35 degrees 19 minutes 34 seconds West 165.25 feet to a point having Coordinates of X = 1,644,681.63 and Y = 384,965.31; South 32 degrees 12 minutes 37 seconds West 179.26 feet to a point having

Coordinates of X = 1,644,586.08 and . Y = 384,813.64; South 34 degrees 42 minutes 38 seconds West 177.67 feet to a point having Coordinates of X = 1,644,484.91 and Y = 384,667.59; South 30 degrees 58 minutes 08 seconds West 194.94 feet to a point having Coordinates of X = 1,644,384.60 and Y = 384,500.44; South 37 degrees 19 minutes 13 seconds West 171.23 feet to a point having Coordinates of X = 1,644,280.79 and Y = 384,364.27; South 24 degrees 04 minutes 07 seconds West 226.20 feet to a point having Coordinates of X = 1,644,188.54 and Y = 384,157.74; South 08 degrees 08 minutes 05 seconds West 89.34 feet to a point having Coordinates of X = 1,644,175.90 and Y = 384,069.31; South 03 degrees 47 minutes 33 seconds East 266.24 feet to a point having Coordinates of X = 1,644,193.51 and Y = 383,803.65; South 08 degrees 44 minutes 59 seconds East 71.65 feet to a point having Coordinates of X = 1,644,204.41 and Y = 383,732.83; South 15 degrees 30 minutes 19 seconds East 72.94 feet to a point having Coordinates of X = 1,644,223.91 and Y = 383,662.54; South 16 degrees 30 minutes 31 seconds East 107.44 feet to a point having Coordinates of X = 1,644,254.44 and Y = 383,559.53; South 15 degrees 57 minutes 14 seconds East 111.11 feet to a point having Coordinates of X = 1,644,284.98 and Y = 383,452.70; South 23 degrees 12 minutes 42 seconds East 290.59 feet to a point having Coordinates of X = 1,644,399.51 and Y = 383,185.63; South 27 degrees 02 minutes 28 seconds East 209.91 feet to a point having Coordinates of X = 1,644,494.94 and Y = 382,998.67; South 24 degrees 38 minutes 03 seconds East 100.74 feet to a point having Coordinates of X = 1,644,536.93 and Y = 382,907.10; South 24 degrees 23 minutes 26 seconds East 164.18 feet to a point having Coordinates of X = 1,644,604.73 and Y = 382,757.57; South 26 degrees 08 minutes 31 seconds East 198.00 feet to a point having Coordinates of X = 1,644,691.97 and Y = 382,579.82; South 24 degrees 43 minutes 38 seconds East 87.86 feet to a point having Coordinates of X = 1,644,728.72 and Y = 382,500.02; South 17 degrees 49 minutes 43 seconds East 97.13 feet to a point having Coordinates of X = 1,644,758.46 and Y = 382,407.55; South 18 degrees 26 minutes 32 seconds East 125.34 feet to a point having Coordinates of X = 1,644,798.11 and Y = 382,288.65; South 19 degrees 06 minutes 10 seconds East 90.87 feet to a point having Coordinates of X = 1,644,827.85 and Y = 382,202.78; South 15 degrees 39 minutes 03 seconds East 85.74 feet to a point having Coordinates of X = 1,644,850.98 and Y = 382,120.22; South 14 degrees 44 minutes 50 seconds East 64.90 feet to a point having Coordinates of X = 1,644,867.50 and Y = 382,057.46; South 09 degrees 28 minutes 10 seconds East 120.53 feet to a point having Coordinates of X = 1,644,887.33 and Y = 381,938.57; South 06 degrees 17 minutes 30 seconds East 133.22 feet to a point having Coordinates of X = 1,644,901.93 and Y = 381,806.15; South 06 degrees 10 minutes 25 seconds East 154.26 feet to a point having Coordinates of X = 1,644,918.52 and Y = 381,652.78; South 03 degrees 16 minutes 13 seconds East 145.32 feet to a point having Coordinates of X = 1,644,926.81 and Y = 381,507.70; South 149.22 feet to a point having Coordinates of X = 1,644,926.81 and Y = 381,358.48; South 03 degrees 39 minutes 49 seconds West 140.07 feet to a point having Coordinates of X = 1,644,917.86 and Y = 381,218.70; South 04 degrees 32 minutes 10 seconds West 125.43 feet to a point having Coordinates of X = 1,644,907.94 and Y =

381,093.66; South 06 degrees 46 minutes 26 seconds West 310.56 feet to a point having Coordinates of X = 1,644,871.31 and Y = 380,785.27; South 04 degrees 17 minutes 29 seconds West 112.93 feet to a point having Coordinates of X = 1,644,862.86 and Y = 380,672.66; South 194.26 feet to a point having Coordinates of X = 1,644,862.86 and Y = 380,478.40; South 02 degrees 57 minutes 43 seconds East 194.69 feet to a point having Coordinates of X = 1,644,872.92 and Y = 380,283.97; South 03 degrees 48 minutes 57 seconds East 106.24 feet to a point having Coordinates of X = 1,644,879.99 and Y = 380,177.97; South 07 degrees 07 minutes 48 seconds East 142.44 feet to a point having Coordinate of X = 1,644,897.67 and Y = 380,036.63; South 09 degrees 04 minutes 16 seconds East 193.58 feet to a point having Coordinates of X = 1,644,928.19 and Y = 379,845.47; South 13 degrees 23 minutes 51 seconds East 177.73 feet to a point having Coordinates of X = 1,644,969.37 and Y = 379,672.58; South 26 degrees 41 minutes 32 seconds West 40.34 feet to a point having Coordinates of X = 1,644,951.25 and Y = 379,636.54; South 23 degrees 33 minutes 31 seconds West 70.43 feet to a point having Coordinates of X = 1,644,923.10 and Y = 379,571.98; South 33 degrees 42 minutes 12 seconds West 35.81 feet to a point having Coordinates of X = 1,644,903.23 and Y = 379,542.19; South 15 degrees 47 minutes 59 seconds East 170.30 feet to a point having Coordinates of X = 1,644,949.60 and Y = 379,378.32; South 16 degrees 23 minutes 25 seconds East 259.59 feet to a point having Coordinates of X = 1,645,022.85 and Y = 379,129.28; South 20 degrees 42 minutes 25 seconds East 203.74 feet to a point having Coordinates of X = 1,645,094.89 and Y = 378,938.70; South 21 degrees 15 minutes 37 seconds East 163.59 feet to a point having Coordinates of X = 1,645,154.21 and Y = 378,786.24; South 24 degrees 36 minutes 33 seconds East 188.44 feet to a point having Coordinates of X = 1,645,232.68 and Y = 378,614.92; South 23 degrees 30 minutes 41 seconds East 266.64 feet to a point having Coordinates of X = 1,645,339.05 and Y = 378,370.42; South 25 degrees 55 minutes 06 seconds East 206.85 feet to a point having Coordinates of X = 1,645,429.46 and Y = 378,184.38; South 33 degrees 42 minutes 14 seconds East 186.20 feet to a point having Coordinates of X = 1,645,532.78 and Y = 378,029.48 and Southwesterly along an arc to the left having a radius of 5,304.94 feet and a center at X = 1,650,758.85 and Y = 377,118.11 to a point on the North boundary of State Lease No. 3052, as amended, having Coordinates of X = 1,645,453.96 and Y = 377,094.20; thence West 2,101.56 feet along the North boundary of said State Lease No. 3052 to its Northwest corner having Coordinates of X = 1,643,352.40 and Y = 377,094.20; thence West approximately 3,428 feet to a point on the East line of Section 16, Township 15 South, Range 1 West, Southwestern District, Vermilion Parish, Louisiana, having a Coordinate of Y = 377,094.20; thence along the boundary of said Section 16 the following courses: Northeasterly approximately 3,993 feet to a point and Westerly approximately 2,591 feet to the Northeast corner of State Lease No. 18092, also being the Easternmost Southeast corner of State Lease No. 18091 having Coordinates of X = 1,637,700.00 and Y = 381,071.93; thence North 2,870.07 feet along the East boundary of said State Lease No. 18091 to its Northeast corner, also being the Southeast corner of State Lease No. 18090 having

Coordinates of X = 1,637,700.00 and Y = 383,942.00; thence North 3,246.53 feet along the East boundary of said State Lease No. 18090 to a point having Coordinates of X = 1,637,700.00 and Y = 387,188.53; thence East 10,252.40 feet to the point of beginning, containing approximately **1,528 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 Office of Mineral Resources will require a minimum bonus of \$200.00 per acre.

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: OIL AND GAS RESOURCES, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



VERMILION PARISH

WHITE LAKE

P.O.B.

SL 18090

SL 18091

SL 18092

SL 3055

SL 3057

SL 3050

SL 3052

TRACT 39390 - 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 from the State on September 12, 2007, 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 = 1,647,952.40 and Y = 387,188.53; thence East 10,434.47 feet to a point on the Exxon/State Ownership Boundary Line having Coordinates of X = 1,658,386.87 and Y = 387,188.53; thence South 03 degrees 41 minutes 06 seconds West 5,271.23 feet to the Northeast corner of Operating Agreement No. 217 having Coordinates of X = 1,658,048.07 and Y = 381,928.20; thence along the boundary of said Operating Agreement No. 217 the following courses: West 4,795.67 feet to a point having Coordinates of X = 1,653,252.40 and Y = 381,928.20 and South approximately 8,303 feet to its Southwest corner, also being a point on the 1942 Shoreline of White Lake; thence Southwesterly along the meanders of said 1942 Shoreline to a point on the East boundary of State Lease No. 3052, as amended, having a Coordinate of X = 1,647,952.40; thence North approximately 3,958 feet along the East boundary of said State Lease No. 3052 to the Southwest corner of State Lease No. 3057, as amended, having Coordinates of X = 1,647,952.40 and Y = 375,913.23; thence along the boundary of said State Lease No. 3057 the following courses: Northeasterly along an arc to the left having radius of 3,375.84 feet and a center at X = 1,647,338.98 and Y = 379,232.87 to a point having Coordinates of X = 1,649,021.80 and Y = 376,306.36; Northeasterly along an arc to the left having a radius of 5,213.92 feet and a center at X = 1,646,680.82 and Y = 380,965.20 to a point having a Coordinates of X = 1,650,051.33 and Y = 376,987.18; Northeasterly along an arc to the left having a radius of 5,340.92 feet and a center at X = 1,646,567.64 and Y = 381,035.56 to a point having Coordinates of X = 1,650,744.31 and Y = 377,706.77; Northeasterly along an arc to the left having a radius of 4,410.13 feet and a center at X = 1,647,429.43 and Y = 380,615.51 to a point having Coordinates of X = 1,651,728.58 and Y = 379,632.37 and Northwesterly along an arc to the left having a radius of 1,823.83 feet and center at X = 1,649,985.11 and Y = 380,167.79 to a point on the South boundary of State Lease No. 3055, as amended, having Coordinates of X = 1,651,236.90 and Y = 381,494.20; thence along the

boundary of said State Lease No. 3055 the following courses: East 134.00 feet to a point having Coordinates of X = 1,651,370.90 and Y = 381,494.20; North 06 degrees 55 minutes 29 seconds East 475.59 feet to a point having Coordinates of X = 1,651,428.24 and Y = 381,966.32; North 03 degrees 30 minutes 17 seconds East 247.50 feet to a point having Coordinates of X = 1,651,443.37 and Y = 382,213.36; North 00 degrees 16 minutes 30 seconds East 114.60 feet to a point having Coordinates of X = 1,651,443.92 and Y = 382,327.96; North 04 degrees 55 minutes 08 seconds West 127.24 feet to a point having Coordinates of X = 1,651,433.01 and Y = 382,454.73; North 16 degrees 19 minutes 19 seconds West 216.20 feet to a point having Coordinates of X = 1,651,372.25 and Y = 382,662.22; North 17 degrees 56 minutes 06 seconds West 180.85 feet to a point having Coordinates of X = 1,651,316.56 and Y = 382,834.28; North 25 degrees 52 minutes 49 seconds West 185.62 feet to a point having Coordinates of X = 1,651,235.54 and Y = 383,001.28; North 28 degrees 06 minutes 06 seconds West 273.50 feet to a point having Coordinates of X = 1,651,106.71 and Y = 383,242.54; North 35 degrees 08 minutes 57 seconds West 234.96 feet to a point having Coordinates of X = 1,650,971.44 and Y = 383,434.66; North 36 degrees 53 minutes 05 seconds West 249.10 feet to a point having Coordinates of X = 1,650,821.93 and Y = 383,633.90; North 46 degrees 45 minutes 03 seconds West 166.16 feet to a point having Coordinates of X = 1,650,700.90 and Y = 383,747.75; North 49 degrees 24 minutes 45 seconds West 131.25 feet to a point having Coordinates of X = 1,650,601.23 and Y = 383,833.14; North 51 degrees 13 minutes 23 seconds West 111.42 feet to a point having Coordinates of X = 1,650,514.37 and Y = 383,902.92; North 60 degrees 36 minutes 10 seconds West 135.13 feet to a point having Coordinates of X = 1,650,396.64 and Y = 383,969.25; North 62 degrees 27 minutes 24 seconds West 79.62 feet to a point having Coordinates of X = 1,650,326.04 and Y = 384,006.07; North 74 degrees 45 minutes 10 seconds West 70.00 feet to a point having Coordinates of X = 1,650,258.50 and Y = 384,024.48; North 68 degrees 58 minutes 13 seconds West 42.75 feet to a point having Coordinates of X = 1,650,218.60 and Y = 384,039.82; North 84 degrees 28 minutes 42 seconds West 95.61 feet to a point having Coordinates of X = 1,650,123.43 and Y = 384,049.02; North 87 degrees 42 seconds 33 seconds West 76.80 feet to a point having Coordinates of X = 1,650,046.69 and Y = 384,052.09; North 88 degrees 40 minutes 04 seconds West 132.04 feet to a point having Coordinates of X = 1,649,914.69 and Y = 384,055.16; South 85 degrees 45 minutes 47 seconds West 83.11 feet to a point having Coordinates of X = 1,649,831.81 and Y = 384,049.02; South 85 degrees 19 minutes 01 seconds West 187.89 feet to a point having Coordinates of X = 1,649,644.55 and Y = 384,033.68; South 81 degrees 11 minutes 08 seconds West 180.18 feet to a point having Coordinates of X = 1,649,466.50 and Y = 384,006.07; South 83 degrees 09 minutes 23 seconds West 77.29 feet to a point having Coordinates of X = 1,649,389.76 and Y = 383,996.86; West 95.16 feet to a point having Coordinates of X = 1,649,294.60 and Y = 383,996.86; North 86 degrees 38 minutes 00 seconds West 104.55 feet to a point having Coordinates of X = 1,649,190.23 and Y = 384,003.00; North 82 degrees 09 minutes 11 seconds West 89.87 feet to a point having Coordinates of X = 1,649,101.20 and Y = 384,015.27; North 71 degrees 34

minutes 13 seconds West 67.94 feet to a point having Coordinates of X = 1,649,036.74 and Y = 384,036.75; North 67 degrees 17 minutes 09 seconds West 179.52 feet to a point having Coordinates of X = 1,648,871.14 and Y = 384,106.07; North 52 degrees 03 minutes 42 seconds West 214.72 feet to a point having Coordinates of X = 1,648,701.80 and Y = 384,238.08; North 37 degrees 45 minutes 42 seconds West 132.73 feet to a point having Coordinates of X = 1,648,620.52 and Y = 384,343.01; North 37 degrees 31 minutes 14 seconds West 183.50 feet to a point having Coordinates of X = 1,648,508.76 and Y = 384,488.55; North 32 degrees 09 minutes 50 seconds West 139.95 feet to a point having Coordinates of X = 1,648,434.26 and Y = 384,607.02; North 22 degrees 05 minutes 37 seconds West 60.06 feet to a point having Coordinates of X = 1,648,411.67 and Y = 384,662.67; North 26 degrees 06 minutes 30 seconds West 127.39 feet to a point having Coordinates of X = 1,648,355.61 and Y = 384,777.06; North 24 degrees 37 minutes 54 seconds West 123.28 feet to a point having Coordinates of X = 1,648,304.23 and Y = 384,889.12; North 25 degrees 21 minutes 33 seconds West 147.26 feet to a point having Coordinates of X = 1,648,241.16 and Y = 385,022.19; North 20 degrees 33 minutes 44 seconds West 183.07 feet to a point having Coordinates of X = 1,648,176.86 and Y = 385,193.60; North 21 degrees 27 minutes 25 seconds West 138.33 feet to a point having Coordinates of X = 1,648,126.26 and Y = 385,322.34; North 24 degrees 31 minutes 46 seconds West 144.04 feet to a point having Coordinates of X = 1,648,066.46 and Y = 385,453.38 and North 27 degrees 41 minutes 18 seconds West 245.47 feet to its Northwest corner, also being the Easternmost Northeast corner of State Lease No. 3050, as amended, having Coordinates of X = 1,647,952.40 and Y = 385,670.74; thence North 1,517.79 feet to the point of beginning, **LESS AND EXCEPT** that portion, if any, of State Lease No. 3052, as amended, and Operating Agreement No. 217 that may lie within the above described tract, containing approximately **1,756 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 Office of Mineral Resources will require a minimum bonus of \$200.00 per acre.

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: OIL AND GAS RESOURCES, INC.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

