

TRACT 35746 - De Soto and Red River Parishes, Louisiana

All land, LESS AND EXCEPT land now the beds and bottoms of any water body of whatever description and nature, all belonging to the State of Louisiana located within the geographical boundaries of the Bayou Pierre Wildlife Management Area and not presently under mineral lease by the State of Louisiana as of October 8, 2003, the area of which is set forth as follows: The South Half of Section 14, Township 14 North Range 12 West, De Soto Parish, Louisiana, lying South of Bayou Pierre, **LESS AND EXCEPT** the Southwest Quarter of the Southwest Quarter of said Section 14, Township 14 North Range 12 West, De Soto and Red River Parishes, Louisiana **and** a 3.67 acre tract being described as beginning at the North Quarter corner of Section 23 of said Township 14 North Range 12 West, De Soto Parish, Louisiana; thence South 63 degrees 44 minutes 38 seconds East 343.75 feet to the point of beginning; thence North 00 degrees 00 minutes West 400.00 feet; thence North 90 degrees 00 minutes East 400.00 feet; thence South 00 degrees 00 minutes East 400.00 feet and South 90 degrees 00 minutes West 400.00 feet to the point of beginning containing approximately **42 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone)

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 mineral lease is located in the Bayou Pierre WMA under the jurisdiction of the Louisiana Department of Wildlife and Fisheries which has promulgated rules and regulations for the protection of game and wildlife on the aforesaid Tract and, therefore, shall be subject to said rules and regulations, a copy of which shall be attached to the mineral lease. In addition to the specific rules and regulations applicable, the following shall apply regarding operations under this mineral lease:

1. 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 Bayou Pierre Wildlife Management Area Supervisor prior to any activities on the wildlife management area.

2. 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, flow lines and appurtenant structures may be required by the Department of Wildlife and Fisheries.
3. Compliance with the Bayou Pierre Wildlife Management Area regulations and the Wildlife Division mineral conditions will be required unless otherwise specified by the Department.
4. Compensatory mitigation will be required to offset unavoidable habitat impacts.
5. Removal of all structures, facilities and equipment will be required within 120 days of abandonment unless otherwise agreed to by the Department.
6. No activities will be allowed during the hunting season unless approved by the Department.
7. Prior to submitting applications for wetland permits to Federal and State permitting agencies, the lease holder shall coordinate project details with the Department.
8. No discharges will be allowed, including produced waters and drilling fluids. A containerized closed loop system will be required.

NOTE: The Department will require a minimum bonus of \$150.00 per acre and a minimum royalty of 25 percent.

Applicant: Clark Energy Company, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

