

WHITE LAKE

TRACT

TRACT 32198 - Vermilion Parish, Louisiana

A portion of the entirety of the beds and bottoms embraced within the meanders of White Lake as the same presently exists and not under mineral lease on November 10, 1999, 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, all in Vermilion Parish, Louisiana, (subject to the understanding that: "Nothing herein shall affect the rights if any, of any person who may claim title to any portion of what was formerly land adjoining White Lake and which is now water-covered because of erosion"), which area, for all purposes of said lease, shall be considered to comprise 50,000 acres, whether it actually comprises more or less and more specifically described as follows: Beginning at the Southwest corner of State Lease No. 15760 having Coordinates of X = 1,606,762.35 and Y = 386,907.15; thence East 9,500.00 feet along the South boundary of said State Lease No. 15760 to a point having Coordinates of X = 1,616,262.35 and Y = 386,907.15; thence South 8,042.85 feet to a point having Coordinates of X = 1,616,262.35 and Y = 378,864.30; thence West 9,500.00 feet to a point having Coordinates of X = 1,606,762.35 and Y = 378,864.30; thence North 8,042.85 feet to the point of beginning, **LESS AND EXCEPT** State Lease No. 15921 and also **LESS AND EXCEPT** that part of White Lake lying South and West of the 1942 coast line and Bear Lake, containing approximately 190 acres, as shown outlined in red 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 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 hereinabove reserved.

NOTE: A total aggregate royalty for the state lease and the required private lease for this tract shall be a minimum of 25%. The state lease will also contain a provision that at the end of the primary term of the lease, the lessee will release all right, title and interest in the lease as to all depths 100 feet below the deepest producing formation on each respective lease at the time of expiration or deepest formation behind pipe capable of producing on each respective lease at expiration.

Applicant: Donald Soileau

Bidder	Cash Payment	Price / Acre	Rental	Oil	Gas	Other

P.O.B.
X= 1606,762.35
Y= 386,907.15

TR 32198
190 + ACS,
NOV, 1999

AREA INCLUDED IN
THIS NOMINATION



1942 COASTLINE

TODAY'S COASTLINE

UNION PARISH

ISS. R.

NOV 1999



LLOG EXPLORATION COMPANY
433 Metairie Road, Suite 600
Metairie, Louisiana 70005
August 26, 1999

State Mineral Board
P. O. Box 2827
Baton Rouge, Louisiana 70821-2827

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 November 9, 1999, 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 (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 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 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.

Yours very truly,

LLOG EXPLORATION COMPANY
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, ILOG Exploration Company (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