

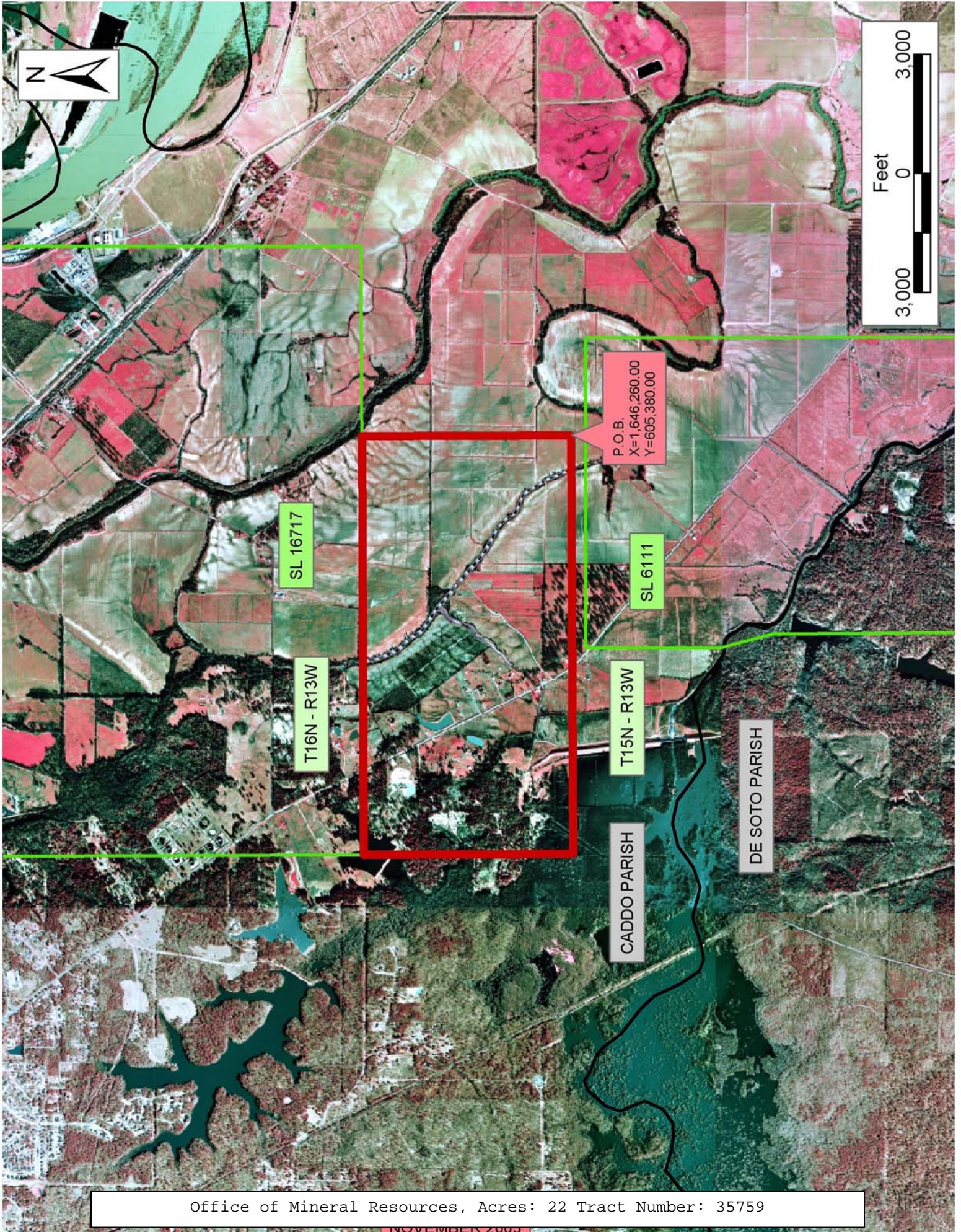
TRACT 35759 - Caddo Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on November 12, 2003, situated in Caddo Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,646,260.00 and Y = 605,380.00; thence West 10,560.00 feet to a point having Coordinates of X = 1,635,700.00 and Y = 605,380.00; thence North 5,280.00 feet to the Southwest corner of State Lease No. 16717 having Coordinates of X = 1,635,700.00 and Y = 610,660.00; thence East 10,560.00 feet on the South line of said State Lease No. 16717 to a point having Coordinates of X = 1,646,260.00 and Y = 610,660.00; thence South 5,280.00 feet to the point of beginning, **LESS AND EXCEPT** if any, that portion of State Lease No. 6111 that may lie within the above described tract, containing approximately **22 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, or statutory, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Should the mineral lease awarded by the Louisiana State Mineral Board be subsequently modified, cancelled or abrogated due to the existence of conflicting leases, operating agreements, private claims or other future obligations or conditions which may affect all or any portion of the leased Tract, it shall not relieve the Lessee of the obligation to pay any bonus due thereon to the Louisiana State Mineral Board, nor shall the Louisiana State Mineral Board be obligated to refund any consideration paid by the Lessor prior to such modification, cancellation, or abrogation, including, but not limited to, bonuses, rentals and royalties.

Applicant: Theophilus Oil Gas & Land Services, LLC

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



Office of Mineral Resources, Acres: 22 Tract Number: 35759

NOVEMBER 2005

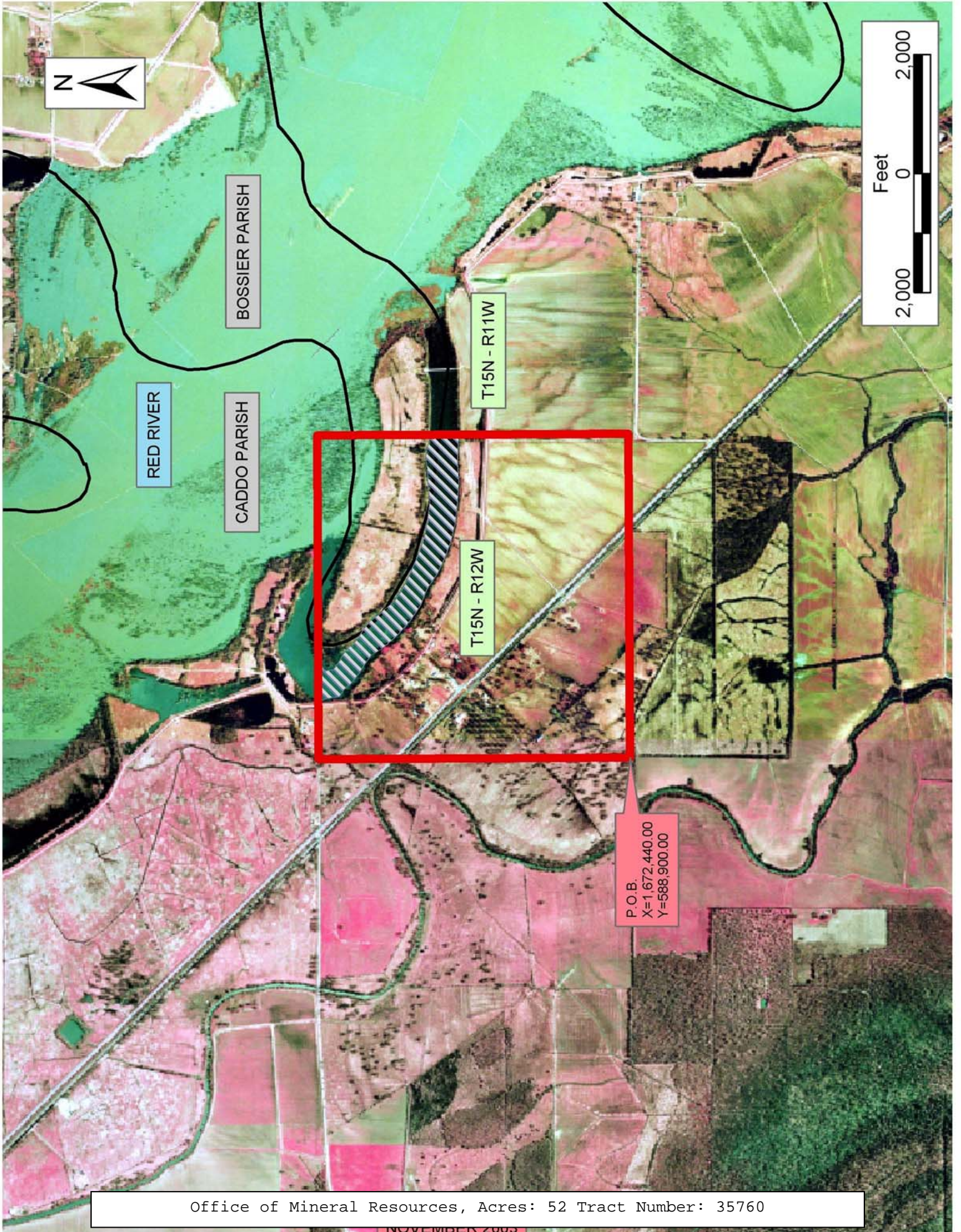
TRACT 35760 - Bossier and Caddo Parishes, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on November 12, 2003, situated in Bossier and Caddo Parishes, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,672,440.00 and Y = 588,900.00; thence North 5,240.00 feet to a point having Coordinates of X = 1,672,440.00 and Y = 594,140.00; thence East 5,450.00 feet to a point having Coordinates of X = 1,677,890.00 and Y = 594,140.00; thence South 5,240.00 feet to a point having Coordinates of X = 1,677,890.00 and Y = 588,900.00; thence West 5,450.00 feet to the point of beginning, containing approximately **52 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, or statutory, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Should the mineral lease awarded by the Louisiana State Mineral Board be subsequently modified, cancelled or abrogated due to the existence of conflicting leases, operating agreements, private claims or other future obligations or conditions which may affect all or any portion of the leased Tract, it shall not relieve the Lessee of the obligation to pay any bonus due thereon to the Louisiana State Mineral Board, nor shall the Louisiana State Mineral Board be obligated to refund any consideration paid by the Lessor prior to such modification, cancellation, or abrogation, including, but not limited to, bonuses, rentals and royalties.

Applicant: Panterra Producing Company, LLC

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



Office of Mineral Resources, Acres: 52 Tract Number: 35760

NOVEMBER 2005

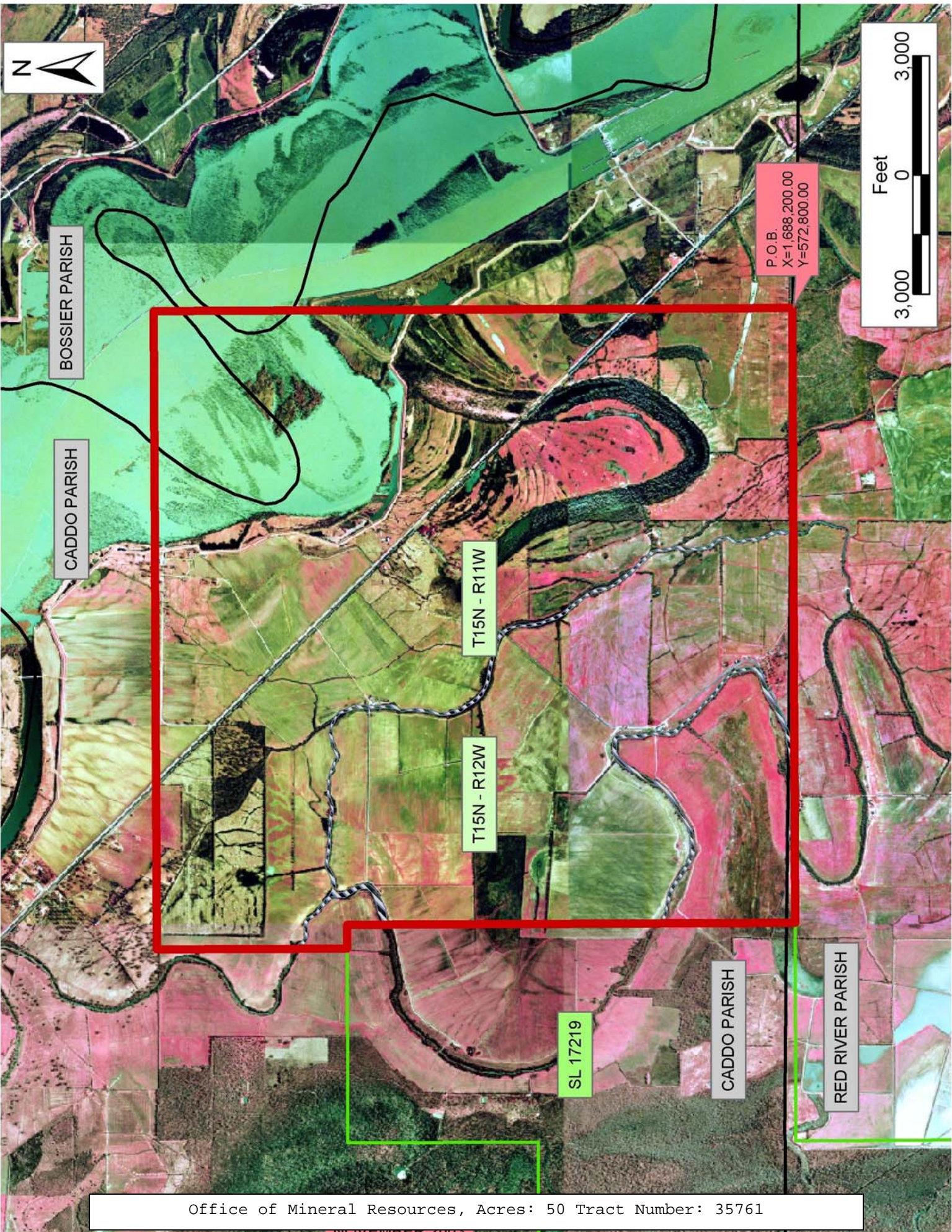
TRACT 35761 - Bossier, Caddo and Red River Parishes, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on November 12, 2003, situated in Bossier Caddo and Red River Parishes, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,688,200.00 and Y = 572,800.00; thence West 15,500.00 feet to the most Easterly Southeast corner of State Lease No. 17219 having Coordinates of X = 1,672,700.00 and Y = 572,800.00; thence North 11,300.00 feet along the Eastern boundary of said State Lease No. 17219 to its Northeast corner having Coordinates of X = 1,672,700.00 and Y = 584,100.00; thence West 600.00 feet along the Northern boundary of said State Lease No. 17219 to a point having Coordinates of X = 1,672,100.00 and Y = 584,100.00; thence North 4,800.00 feet to a point having Coordinates of X = 1,672,100.00 and Y = 588,900.00; thence East 16,100.00 feet to a point having Coordinates of X = 1,688,200.00 and Y = 588,900.00; thence South 16,100.00 feet to the point of beginning, containing approximately **50 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, or statutory, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Should the mineral lease awarded by the Louisiana State Mineral Board be subsequently modified, cancelled or abrogated due to the existence of conflicting leases, operating agreements, private claims or other future obligations or conditions which may affect all or any portion of the leased Tract, it shall not relieve the Lessee of the obligation to pay any bonus due thereon to the Louisiana State Mineral Board, nor shall the Louisiana State Mineral Board be obligated to refund any consideration paid by the Lessor prior to such modification, cancellation, or abrogation, including, but not limited to, bonuses, rentals and royalties.

Applicant: Midnite Energy, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



Office of Mineral Resources, Acres: 50 Tract Number: 35761

TRACT 35762 - Caddo and Red River Parishes, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on November 12, 2003, situated in Caddo and Red River Parishes, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,688,200.00 and Y = 572,800.00; thence South 10,600.00 feet to a point having Coordinates of X = 1,688,200.00 and Y = 562,200.00; thence West 10,540.00 feet to a point having Coordinates of X = 1,677,660.00 and Y = 562,200.00; thence North 454.00 feet to a point having Coordinates of X = 1,677,660.00 and Y = 562,654.00; thence West 5,560.00 feet to a point having Coordinates of X = 1,672,100.00 and Y = 562,654.00; thence North 10,146.00 feet to a point on the boundary of State Lease No. 17219 having Coordinates of X = 1,672,100.00 and Y = 572,800.00; thence East 600.00 feet along the boundary of said State Lease No. 17219 to its most Easterly Southeast corner having Coordinates of X = 1,672,700.00 and Y = 572,800.00; thence East 15,500.00 feet to the point of beginning, **LESS AND EXCEPT** any portion that may lie within the boundaries of the Bayou Pierre Wildlife Management Area, containing approximately **20 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, or statutory, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Should the mineral lease awarded by the Louisiana State Mineral Board be subsequently modified, cancelled or abrogated due to the existence of conflicting leases, operating agreements, private claims or other future obligations or conditions which may affect all or any portion of the leased Tract, it shall not relieve the Lessee of the obligation to pay any bonus due thereon to the Louisiana State Mineral Board, nor shall the Louisiana State Mineral Board be obligated to refund any consideration paid by the Lessor prior to such modification, cancellation, or abrogation, including, but not limited to, bonuses, rentals and royalties.

Applicant: Midnite Energy, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



P.O.B.
X=1,688,200.00
Y=572,800.00

PHILLIPS BAYOU

T14N - R11W

CADDO PARISH

RED RIVER PARISH

PRAIRIE RIVER

T14N - R12W

SL 17219



TRACT 35763 - Iberville Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on November 12, 2003, situated in Iberville Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,991,100.00 and Y = 601,900.00; Thence North 5,400.00 feet to a point having Coordinates of X = 1,991,100.00 and Y = 607,300.00; Thence East 8,200.00 feet to a point having Coordinates of X = 1,999,300.00 and Y = 607,300.00; Thence South 5,400.00 feet to a point having Coordinates of X = 1,999,300.00 and Y = 601,900.00; Thence West 8,200.00 feet to the point of beginning, containing approximately **19 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, or statutory, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Should the mineral lease awarded by the Louisiana State Mineral Board be subsequently modified, cancelled or abrogated due to the existence of conflicting leases, operating agreements, private claims or other future obligations or conditions which may affect all or any portion of the leased Tract, it shall not relieve the Lessee of the obligation to pay any bonus due thereon to the Louisiana State Mineral Board, nor shall the Louisiana State Mineral Board be obligated to refund any consideration paid by the Lessor prior to such modification, cancellation, or abrogation, including, but not limited to, bonuses, rentals and royalties.

Applicant: A.S. Ruffin, Jr.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



WEST BATON
ROUGE PARISH



IBERVILLE PARISH

GROSS TETE BAYOU

T8S - R11E

T9S - R11E

P.O.B.
X=1,991,100.00
Y=601,900.00



TRACT 35764 - St. Bernard Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on November 12, 2003, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,598,758.00 and Y = 496,636.00; thence North 5,589.00 feet to a point having Coordinates of X = 2,598,758.00 and Y = 502,225.00; thence East 15,758.00 feet to a point having Coordinates of X = 2,614,516.00 and Y = 502,225.00; thence South 5,589.00 feet to a point having Coordinates of X = 2,614,516.00 and Y = 496,636.00; thence West 15,758.00 feet to the point of beginning, containing approximately **1,262 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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.

NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from the State of Louisiana may necessarily be conducted in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

Applicant: Kare-Sue Energy, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



ST BERNARD PARISH

BAY BOUDREAU

FALSE MOUTH BAY



T12S - R18E

T12S - R17E

P.O.B
X=2,598,758.00
Y=496,636.00

TRACT 35765 - Portion of Blocks 23, and 46, Chandeleur Sound Add Area, Revised, St. Bernard Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on November 12, 2003, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point within Block 23, Chandeleur Sound Area Addition, Revised, having Coordinates of X = 2,630,274.00 and Y = 502,225.00; thence South 5,589.00 feet to a point within Block 46, Chandeleur Sound Area Addition, Revised, having Coordinates of X = 2,630,274.00 and Y = 496,636.00; thence West 15,758.00 feet to a point having Coordinates of X = 2,614,516.00 and Y = 496,636.00; thence North 5,589.00 feet to a point having Coordinates of X = 2,614,516.00 and Y = 502,225.00; thence East 15,758.00 feet to the point of beginning, containing approximately **1,989 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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.

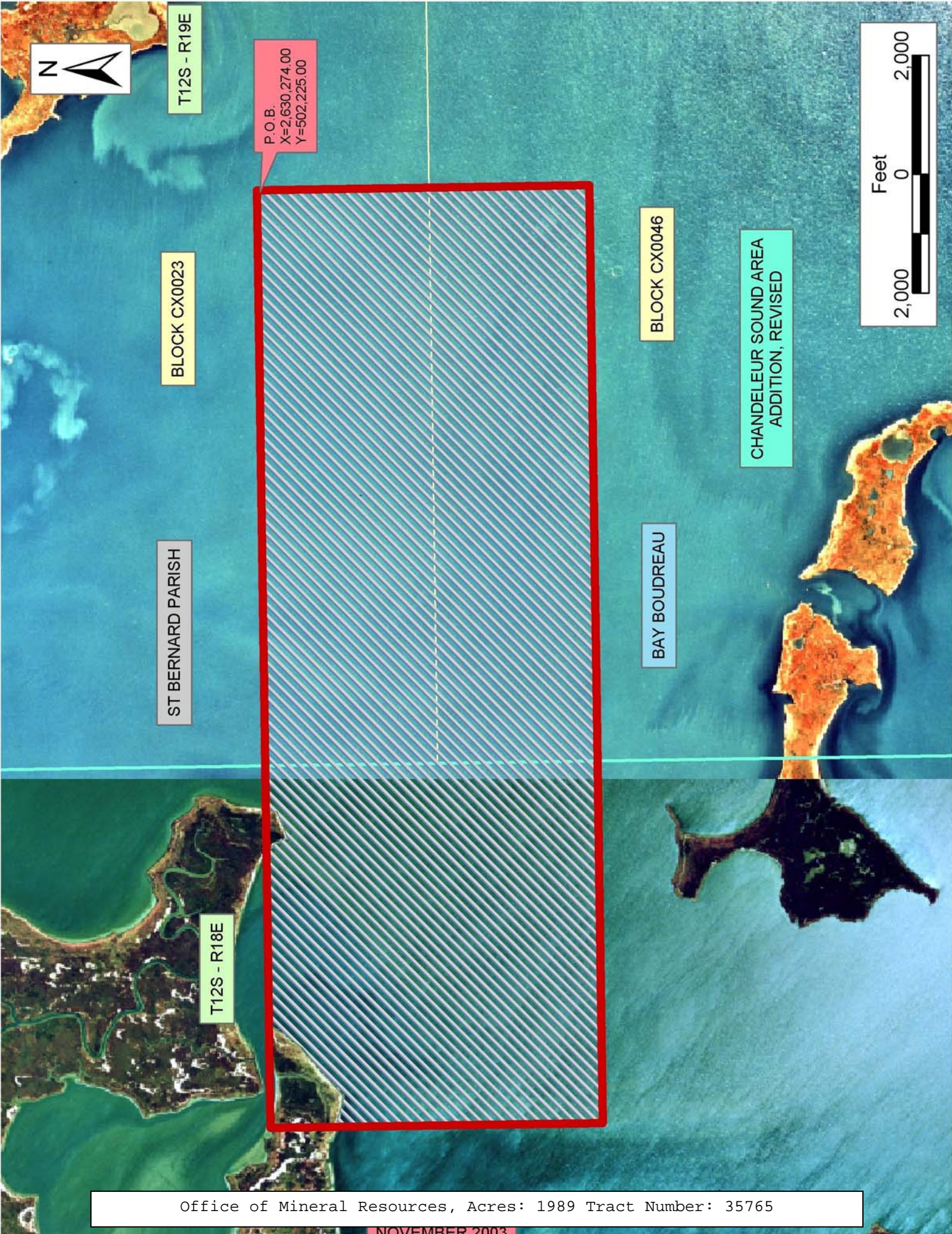
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing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

NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from the State of Louisiana may necessarily be conducted in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

Applicant: Kare-Sue Energy, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



Office of Mineral Resources, Acres: 1989 Tract Number: 35765

NOVEMBER 2003

TRACT 35766 - St. Bernard Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on November 12, 2003, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,567,242.00 and Y = 502,225.00; thence East approximately 13,414 feet to a point on the Eastern shoreline of Lake Borgne, being the boundary of the Biloxi Wildlife Management Area having a Coordinate of Y = 502,225.00; thence Southwesterly along the Eastern shoreline of said Lake Borgne, being the boundary of said Biloxi Wildlife Management Area to the Northwest corner of State Lease No. 17769 having a Coordinate of Y = 495,934.88; thence Southwesterly along the boundary of said State Lease No. 17769, being the Eastern shoreline of Lake Borgne and the boundary of said Biloxi Wildlife Management Area to a point on the Northern boundary of said State Lease No. 17769, also being the Northeast corner of State Lease No. 17810 having a Coordinate of Y = 495,009.73; thence West approximately 1,960 feet along the North line of said State Lease No. 17810 to a point having Coordinates of X = 2,567,242.00 and Y = 495,009.73; thence North 7,215.27 feet to the point of beginning, **LESS AND EXCEPT** any portion of the above described tract that may lie within the boundaries of the Biloxi Wildlife Management Area, containing approximately **1,423 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

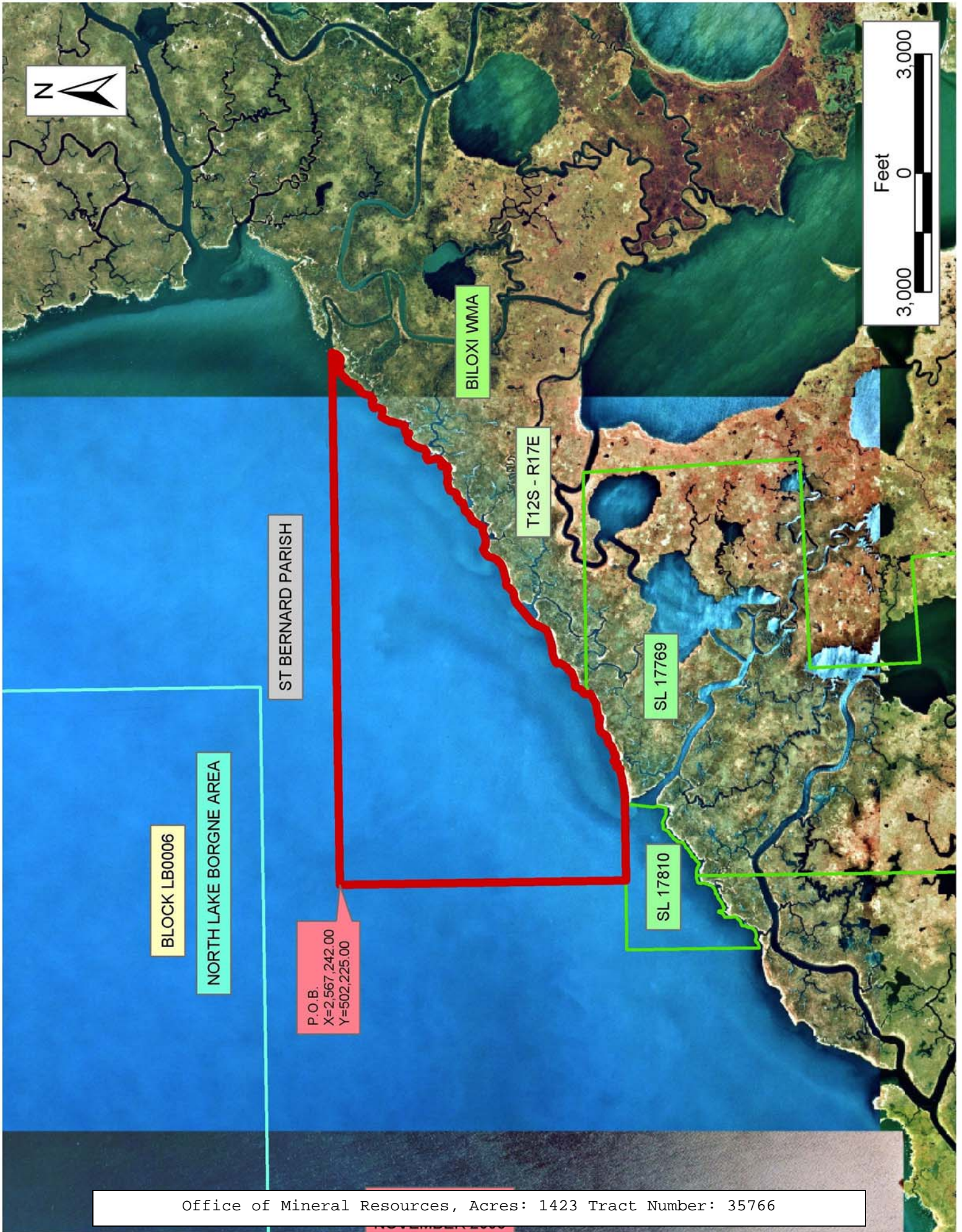
NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, 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.

NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from the State of Louisiana may necessarily be conducted in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

Applicant: Kare-Sue Energy, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



TRACT 35767 - St. Bernard Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on November 12, 2003, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,598,758.00 and Y = 496,636.00; thence West 16,060.86 feet to a point on the Eastern boundary line of the Biloxi Wildlife Management Area having Coordinates of X = 2,582,697.14 and Y = 496,636.00; thence along the boundary of said Biloxi Wildlife Management Area the following courses and distances: North 14 degrees 01 minutes 03 seconds West 4,006.87 feet, North 13 degrees 56 minutes 47 seconds West 883.52 feet, North 14 degrees 09 minutes 15 seconds West 276.44 feet and North 01 degrees 14 minutes 31 seconds West 576.06 feet to a point on the East line of said Biloxi Wildlife Management Area having Coordinates of X = 2,581,433.58 and Y = 502,225.00; thence East 17,324.42 feet to a point having Coordinates of X = 2,598,758.00 and Y = 502,225.00; thence South 5,589.00 feet to the point of beginning, **LESS AND EXCEPT** any portion of the Biloxi Wildlife Management Area that may lie within the above described tract, containing approximately **515 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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.

NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from the State of Louisiana may necessarily be conducted in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

Applicant: Kare-Sue Energy, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



P.O.B.
X=2,598,758.00
Y=496,636.00



FALSE MOUTH BAY

T12S - R17E

ST BERNARD PARISH

BILOXI WMA

Office of Mineral Resources, Acres: 515 Tract Number: 35767

NOVEMBER 2003

TRACT 35768 - St. Bernard Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on November 12, 2003, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,598,758.00 and Y = 496,636.00; thence East 15,758.00 feet to a point having Coordinates of X = 2,614,516.00 and Y = 496,636.00; thence South 5,589.00 feet to a point having Coordinates of X = 2,614,516.00 and Y = 491,047.00; thence West 15,420.19 feet to a point on the Eastern boundary line of the Biloxi Wildlife Management Area having Coordinates of X = 2,599,095.81 and Y = 491,047.00; thence along the boundary of said Biloxi Wildlife Management Area the following courses and distances: North 02 degrees 47 minutes 00 seconds West 335.15 feet and South 87 degrees 44 minutes 54 seconds West 321.78 feet to a point on the Northern boundary line of said Biloxi Wildlife Management Area having Coordinates of X = 2,598,758.00 and Y = 491,369.11; thence North 5,266.89 feet to the point of beginning, **LESS AND EXCEPT** any portion of the Biloxi Wildlife Management Area that may lie within the above described tract, containing approximately **1,826 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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.

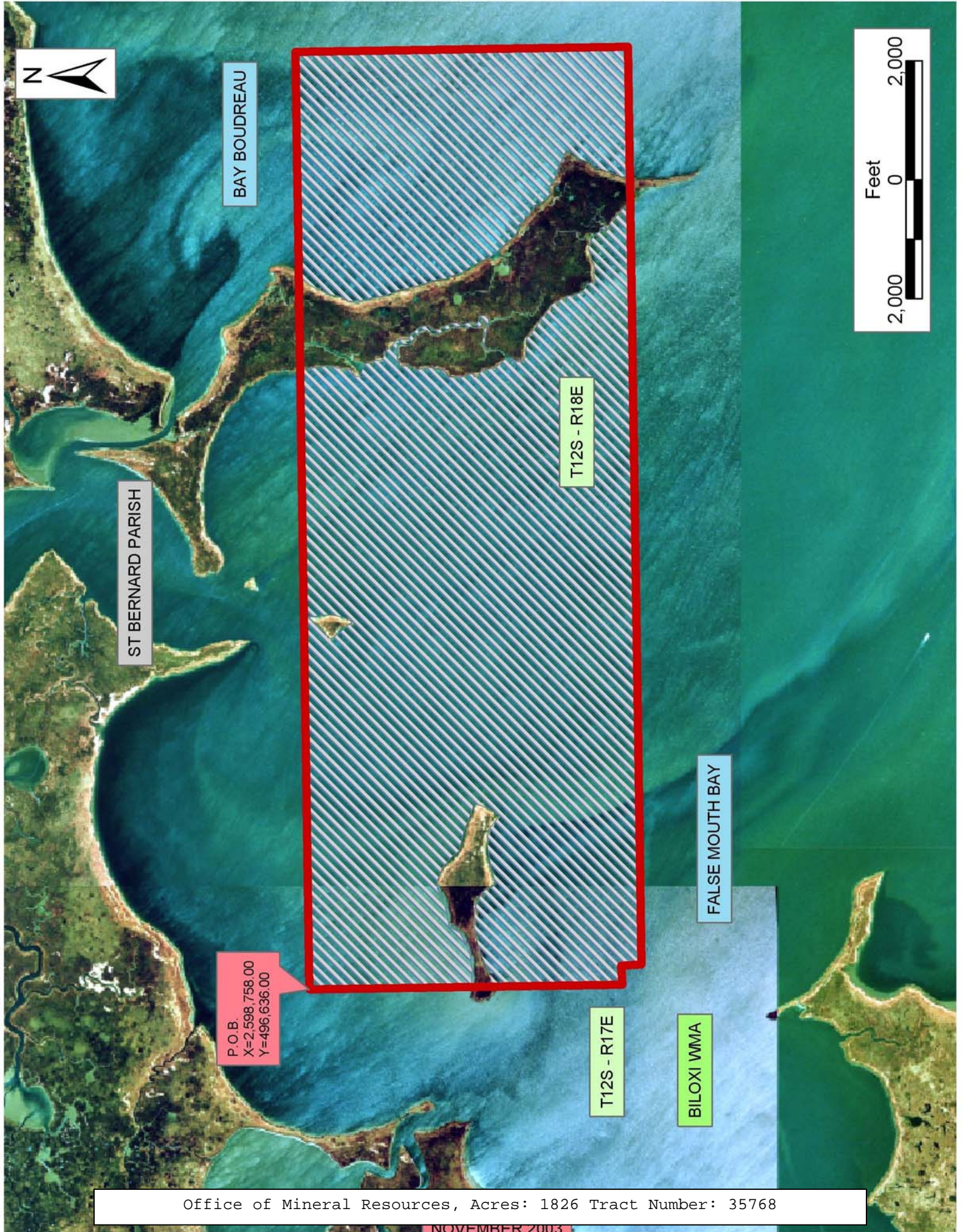
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing,

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.

NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from the State of Louisiana may necessarily be conducted in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

Applicant: Kare-Sue Energy, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



BAY BOUDREAU

ST BERNARD PARISH

T12S - R18E

P.O.B.
X=2,598,758.00
Y=496,636.00

T12S - R17E

BILOXI WMA

FALSE MOUTH BAY



Office of Mineral Resources, Acres: 1826 Tract Number: 35768

TRACT 35769 - Portion of Block 46, Chandeleur Sound Area Add, Revised, St. Bernard Parish, Louisiana

All of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description the title of which vests in the State of Louisiana, together with all islands arising therein and other lands formed by accretion or by reliction, where allowed by law, excepting tax adjudicated lands, and not presently under mineral lease on November 12, 2003, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point within Block 46 Chandeleur Sound Area Addition, Revised, having Coordinates of X = 2,630,274.00 and Y = 491,047.00; thence West 15,758.00 feet to a point having Coordinates of X = 2,614,516.00 and Y = 491,047.00; thence North 5,589.00 feet to a point having Coordinates of X = 2,614,516.00 and Y = 496,636.00; thence East 15,758.00 feet to a point having Coordinates of X = 2,630,274.00 and Y = 496,636.00; thence South 5,589.00 feet to the point of beginning, containing approximately **1,764 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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.

NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from the State of Louisiana may necessarily be conducted in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

Applicant: Kare-Sue Energy, Inc.

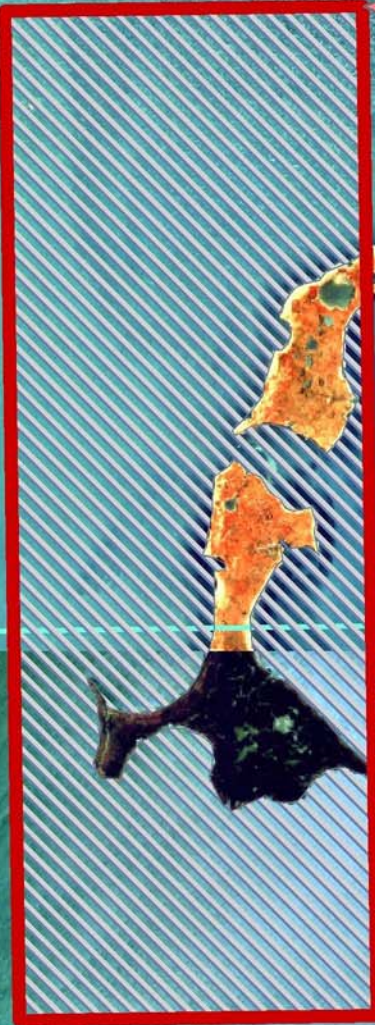
Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



CHANDELEUR SOUND AREA ADDITION, REVISED

BAY BOUDREAU

ST BERNARD PARISH



T12S - R19E

P.O.B.
X=2,630,274.00
Y=491,047.00

BLOCK CX0046

T12S - R18E

