

TRACT 36881 - Portion of Block 27, Chandeleur Sound Area Addition, 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 10, 2004, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the Southwest corner of Block 27, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,679,600.00 and Y = 499,330.00; thence North 7,375.00 feet along the West line of said Block 27 to a point having Coordinates of X = 2,679,600.00 and Y = 506,705.00; thence East 14,750.00 feet to a point on the East line of said Block 27 having Coordinates of X = 2,694,350.00 and Y = 506,705.00; thence South 7,375.00 feet along the East line of said Block 27 to its Southeast corner having Coordinates of X = 2,694,350.00 and Y = 499,330.00; thence West 14,750.00 feet along the South line of said Block 27 to the point of beginning, containing approximately **2,449 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.

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

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



SL 17387

BLOCK CX0027

ST BERNARD PARISH

CHANDELEUR SOUND AREA ADDITION, REVISED

BLOCK CX0042

P.O.B.
X=2,679,600.00
Y=499,330.00

TRACT 36882 - Portion of Block 42, Chandeleur Sound Area Addition, 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 10, 2004, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the Northwest corner of Block 42, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,679,600.00 and Y = 499,330.00; thence East 14,750.00 feet along the North line of said Block 42 to its Northeast corner having Coordinates of X = 2,694,350.00 and Y = 499,330.00; thence South 7,375.00 feet along the East line of said Block 42 to a point having Coordinates of X = 2,694,350.00 and Y = 491,955.00; thence West 14,750.00 feet to a point on the West line of said Block 42 having Coordinates of X = 2,679,600.00 and Y = 491,955.00; thence North 7,375.00 feet along the West line of said Block 42 to the point of beginning, containing approximately **2,497.27 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, (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.

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

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: Kare-Sue Energy, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



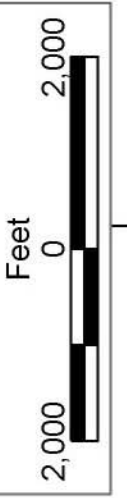
ST BERNARD PARISH

BLOCK CX0027

CHANDELEUR SOUND AREA ADDITION, REVISED

BLOCK CX0042

P.O.B.
X=2,679,600.00
Y=499,330.00



TRACT 36883 - 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 10, 2004, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the most Easterly corner of State Lease No. 18066 having Coordinates of X = 2,555,696.00 and Y = 499,004.00; thence East 12,510.51 feet to a point on the West line of State Lease No. 17950 having Coordinates of X = 2,568,206.51 and Y = 499,044.00; thence South 00 degrees 23 minutes 07 seconds West 3,994.36 feet on the West line of said State Lease No. 17950 to its Southwest corner and a point on the North line of State Lease No. 17810 having Coordinates of X = 2,568,179.64 and Y = 495,009.73; thence along the boundary of said State Lease No. 17810 the following courses: West 2,684.80 feet and South 467.73 feet to a point having Coordinates of X = 2,565,494.84 and Y = 494,542.00; thence West 11,881.57 feet to a point on the West line of State Lease No. 18067 having Coordinates of X = 2,553,613.27 and Y = 494,542.00; thence North 15 degrees 03 minutes 29 seconds East 2,450.85 feet on the West line of said State Lease No. 18067 to its Northeast corner and the most Southerly corner of said State Lease No. 18066 having Coordinates of X = 2,554,250.00 and Y = 496,908.70; thence North 34 degrees 36 minutes 37 seconds East 2,545.82 feet on the Southeastern boundary of said State Lease No. 18066 to the point of beginning, containing approximately **1,381.74 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.

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

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



SL 17950

SL 17810

ST BERNARD PARISH

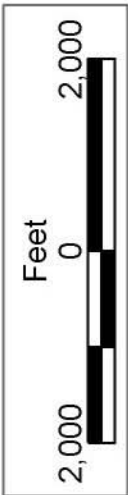
LAKE BORGNE

P.O.B.
X=2,555,696.00
Y=499,004.00

SL 18066

SL 18065

SL 18067



TRACT 36884 - 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 10, 2004, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,547,298.00 and Y = 490,082.00; thence North 3,737.34 feet to a point on the South line of State Lease No. 18067 having Coordinates of X = 2,547,298.00 and Y = 493,819.34; thence along the boundary of said State Lease No. 18067 the following courses: South 82 degrees 00 minutes 20 seconds East 5,955.88 feet and North 15 degrees 03 minutes 29 seconds East 1,606.15 feet to a point having Coordinates of X = 2,553,613.27 and Y = 494,542.00; thence East 11,881.57 feet to a point on the West line of State Lease No. 17810 having Coordinates of X = 2,565,494.84 and Y = 494,542.00; thence South approximately 2,862 feet on the West line of said State Lease No. 17810 to its Southwest corner and a point on the boundary of the Biloxi Wildlife Management Area having a Coordinate of X = 2,565,494.84; thence Southwesterly along the boundary line of said Biloxi Wildlife Management Area to the point of intersection with an East West line having a Coordinate of Y = 490,082.00; thence West approximately 15,696 feet to the point of beginning, **LESS AND EXCEPT** any portion of the Biloxi Wildlife Management Area and State Lease No. 17768 that may lie within the above described tract, containing approximately **1,639 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.

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

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



SL 17810

BILOXI WMA

SL 17768

ST BERNARD PARISH

LAKE BORGNE

SL 18066

SL 18065

SL 18067

P.O.B.
X=2,547,298.00
Y=490,082.00



TRACT 36885 - Portion of Block 42, Chandeleur Sound Area Addition, 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 10, 2004, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the Southwest corner of Block 42, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,679,600.00 and Y = 484,580.00; thence North 7,375.00 feet along the West line of said Block 42 to a point having Coordinates of X = 2,679,600.00 and Y = 491,955.00; thence East 14,750.00 feet to a point on the East line of said Block 42 having Coordinates of X = 2,694,350.00 and Y = 491,955.00; thence South 7,375.00 feet along the East line of said Block 42 to its Southeast corner having Coordinates of X = 2,694,350.00 and Y = 484,580.00; thence West 14,750.00 feet along the South line of said Block 42 to the point of beginning, containing approximately **2,497.27 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, (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.

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

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: Kare-Sue Energy, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



ST BERNARD PARISH

CHANDELEUR SOUND AREA ADDITION, REVISED

BLOCK CX0042

BLOCK CX0051

SL 17659

P.O.B.
X=2,679,600.00
Y=484,580.00



TRACT 36886 - Vermilion 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 10, 2004, situated in Vermilion Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,762,304.00 and Y = 503,182.00; thence South 88 degrees 29 minutes 34 seconds East 5,817.01 feet to a point having Coordinates of X = 1,768,119.00 and Y = 503,029.00; thence South 11 degrees 23 minutes 53 seconds East 8,556.75 feet to a point having Coordinates of X = 1,769,810.00 and Y = 494,641.00; thence South 84 degrees 14 minutes 54 seconds West 5,697.68 feet to a point having Coordinates of X = 1,764,141.00 and Y = 494,070.00; thence North 11 degrees 23 minutes 53 seconds West 9,295.33 feet to the point of beginning, containing approximately **46 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.

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: Harold J. Anderson, Inc.

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other



VERMILION PARISH

VERMILION RIVER

P.O.B.
X=1,762,304.00
Y=503,182.00

T11S - R4E

T12S - R4E

TRACT 36887 - 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 10, 2004, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,547,298.00 and Y = 490,082.00; thence East approximately 15,696 feet to a point on the boundary of the Biloxi Wildlife Management Area having a Coordinate of Y = 490,082.00; thence Southwesterly along the boundary of said Biloxi Wildlife Management Area to the point of intersection with an East West line having a Coordinate of Y = 485,622.00; thence West approximately 7,680 feet to a point having Coordinates of X = 2,547,298.00 and Y = 485,622.00; thence North 4,460.00 feet to the point of beginning, **LESS AND EXCEPT** any portion of the Biloxi Wildlife Management Area and State Lease No. 17768 that may lie within the above described tract, containing approximately **1,183 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.

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

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



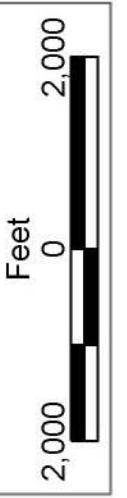
ST BERNARD PARISH

P.O.B.
X=2,547,298.00
Y=490,082.00

LAKE BORGNE

BILOXI WMA

SL 17768



TRACT 36888 - Portion of Block 51, Chandeleur Sound Area Addition, 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 10, 2004, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at the Northwest corner of Block 51, Chandeleur Sound Area Addition, Revised having Coordinates of X = 2,679,600.00 and Y = 484,580.00; thence East 3,110.62 feet along the North line of said Block 51 to a point, also being the Northwest corner of State Lease No. 17659 having Coordinates of X = 2,682,710.62 and Y = 484,580.00; thence along the boundary of said State Lease No. 17659 the following courses: South 39 degrees 08 minutes 33 seconds West 2,326.16 feet, South 15 degrees 26 minutes 07 seconds East 5,779.33 feet, East 3,166.59 feet, North 35 degrees 30 minutes 04 seconds East 1,560.14 feet, South 43 degrees 41 minutes 16 seconds East 1,756.45 feet, East 729.14 feet, North 36 degrees 27 minutes 19 seconds East 5,255.68 feet and North 57 degrees 37 minutes 04 seconds West 5,877.42 feet to the Northeast corner of said State Lease No. 17659, also being a point on the North line of said Block 51 having Coordinates of X = 2,686,954.81 and Y = 484,580.00; thence East 7,395.19 feet along the North line of Block 51 to its Northeast corner having Coordinates of X = 2,694,350.00 and Y = 484,580.00; thence South 8,375.00 feet along the East line of said Block 51 to a point having Coordinates of X = 2,694,350.00 and Y = 476,205.00; thence West 14,750.00 feet to a point on the West line of said Block 51 having Coordinates of X = 2,679,600.00 and Y = 476,205.00; thence North 8,375.00 feet along the West line of said Block 51 to the point of beginning, containing approximately **1,518.89 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.

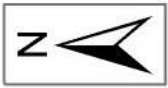
NOTE: The Office of Mineral Resources will require a minimum bonus of \$230 per acre and a minimum royalty of 23%.

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

BLOCK CX0042

SL 17659

BLOCK CX0051

P.O.B.
X=2,679,600.00
Y=484,580.00

CHANDELEUR SOUND AREA ADDITION, REVISED



TRACT 36889 - 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 10, 2004, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,547,298.00 and Y = 481,461.00; thence North 4,161.00 feet to a point having Coordinates of X = 2,547,298.00 and Y = 485,622.00; thence East approximately 7,680 feet to a point on the boundary of the Biloxi Wildlife Management Area having a Coordinate of Y = 485,622.00; thence Southeasterly along the boundary of said Biloxi Wildlife Management Area to the point of intersection with an East West line having a Coordinate of Y = 481,461.00; thence West approximately 10,562 feet to the point of beginning, **LESS AND EXCEPT** any portion of the Biloxi Wildlife Management Area and State Lease No. 17768 that may lie within the above described tract, containing approximately **882 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.

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

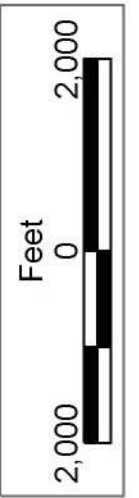
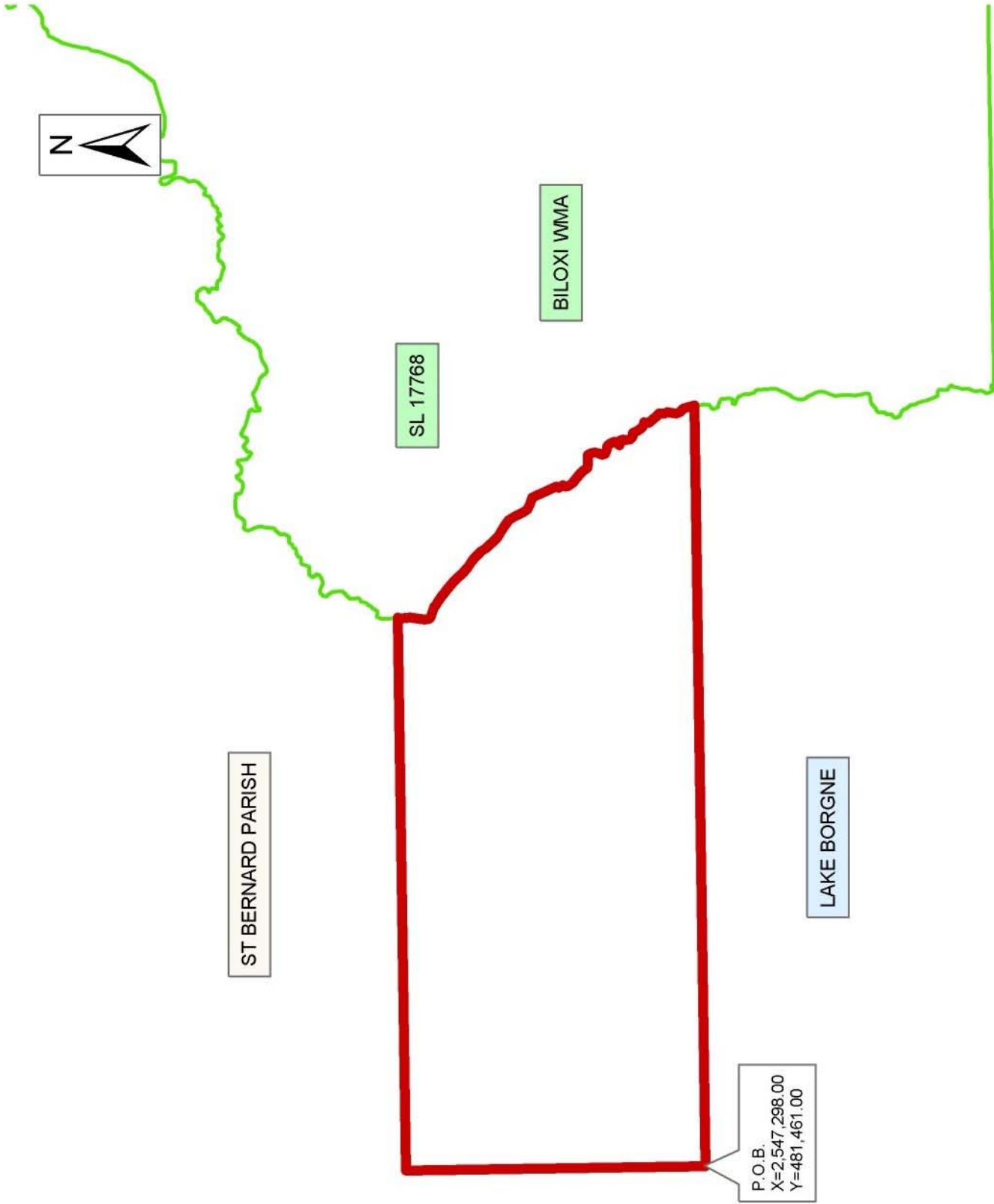
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing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

SL 17768

BILOXI WMA

LAKE BORGNE

P.O.B.
X=2,547,298.00
Y=481,461.00

TRACT 36890 - 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 10, 2004, situated in St. Bernard Parish, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 2,547,298.00 and Y = 481,461.00; thence East approximately 10,562 feet to a point on the boundary of the Biloxi Wildlife Management Area having a Coordinate of Y = 481,461.00; thence Southerly along the boundary of said Biloxi Wildlife Management Area to the point of intersection with an East West line having a Coordinate of Y = 477,300.00; thence West approximately 10,740 feet to a point having Coordinates of X = 2,547,298.00 and Y = 477,300.00; thence North 4,161.00 feet to the point of beginning, **LESS AND EXCEPT** any portion of the Biloxi Wildlife Management Area and State Lease No. 17768 that may lie within the above described tract, containing approximately **1,017 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.

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

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



BILOXI WMA

SL 17768

SL 17088

ST BERNARD PARISH

LAKE BORGNE

P.O.B.
X=2,547,298.00
Y=481,461.00

