

TRACT 36921 - Portion of Block 52, West Delta Area, Plaquemines 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 Plaquemines Parish, Louisiana, and more particularly described as follows: Beginning at the Northeast corner of State Lease No. 17932 and a point on the West Line of Block 52, West Delta Area, having Coordinates of X = 2,620,902.00 and Y = 149,731.16; thence North 5,054.86 feet along the West Line of said Block 52 to its Northwest corner and a point on the South Line of State Lease No. 192, as amended, having Coordinates of X = 2,620,902.00 and Y = 154,786.02; thence North 89 degrees 03 minutes 12 seconds East 13,500.00 feet along the South Line of said State Lease No. 192 and the North Line of said Block 52 and an extension thereof, to a point having Coordinates of X = 2,634,400.16 and Y = 155,009.06; thence South 5,277.90 feet to a point having Coordinates of X = 2,634,400.16 and Y = 149,731.16; thence West 13,498.16 feet to the point of beginning, **LESS AND EXCEPT** all that portion of State Lease No. 192, as amended, State Lease No. 451, as amended, AO 0028 and AO 0001, that may lie within the above described tract, containing approximately **1,324 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.

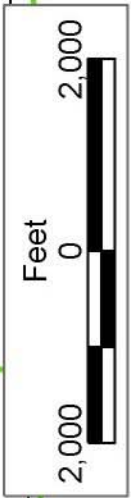
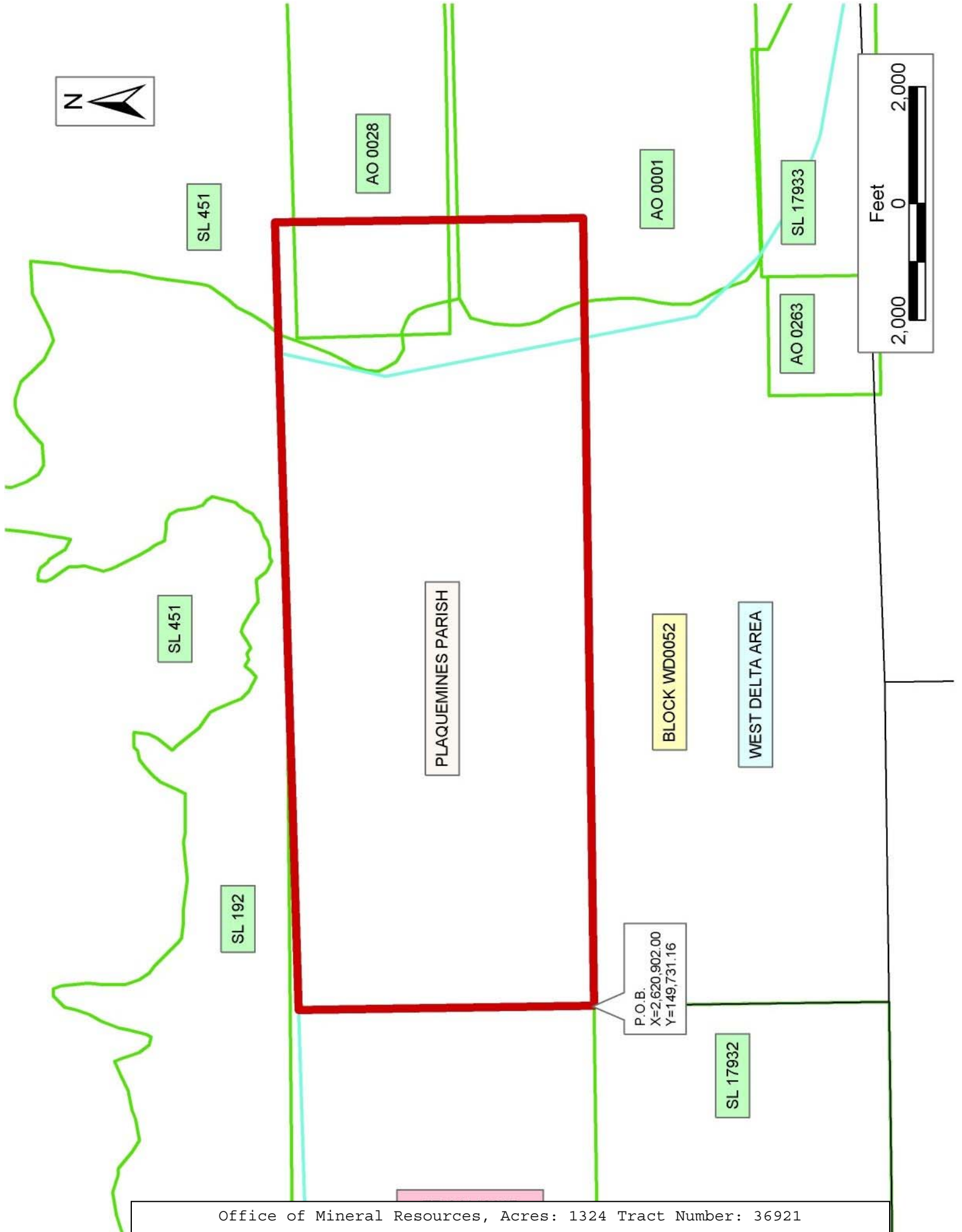
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing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

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: Cypress Energy Corporation

| Bidder | Cash Payment | Price/Acre | Rental | Oil | Gas | Other |
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P.O.B.
X=2,620,902.00
Y=149,731.16

TRACT 36922 - Portion of Block 52, West Delta Area, Plaquemines 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 Plaquemines Parish, Louisiana, and more particularly described as follows: Beginning at the Southwest corner of Block 52, West Delta Area, and the Southeast corner of State Lease No. 17932 having Coordinates of X = 2,620,902.00 and Y = 144,676.30; thence North 5,054.86 feet along the East Line of said State Lease No. 17932 and the West line of said Block 52 to the Northeast corner of said State Lease No. 17932 having Coordinates of X = 2,620,902.00 and Y = 149,731.16; thence East 13,498.16 feet to a point having Coordinates of X = 2,634,400.16 and Y = 149,731.16; thence South approximately 3,043 feet to a point on the North Line of State Lease No. 17933; thence Westerly along the North Line of said State Lease No. 17933 to its Northwest corner; then South approximately 100 feet to the Northeast corner of AO 0263 having Coordinates of X = 2,633,350.00 and Y = 146,588.30; thence along the boundaries of said AO 0263 the following: West 2,037.07 feet and South 1,912.00 feet to its Southwest corner, a point on the North Line of State Lease No. 17935 and a point on the South Line of said Block 52 having Coordinates of X = 2,631,312.93 and Y = 144,676.30; thence West 1,235.00 feet along the North Line of said State Lease No. 17935 to its Northwest corner having Coordinates of X = 2,630,077.93 and Y = 144,676.30; thence continue West 9,175.93 feet along the South Line of said Block 52 to the point of beginning, **LESS AND EXCEPT** all that portion of AO 0001 and State Lease No. 17933 that may lie within the above described tract, containing approximately **1,352 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.

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: Cypress Energy Corporation

| Bidder | Cash Payment | Price/Acre | Rental | Oil | Gas | Other |
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AO 0028

AO 0001

SL 17933

AO 0263

SL 17935

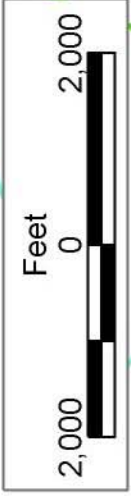
WEST DELTA AREA

BLOCK WD0052

PLAQUEMINES PARISH

SL 17932

P.O.B.
X=2,620,902.00
Y=144,676.30



TRACT 36923 - Portion of Blocks 53, and 54, West Delta Area, Plaquemines 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 Plaquemines Parish, Louisiana, and more particularly described as follows: Beginning at the Northeast corner of State Lease No. 2549 and a point on the North Line of Block 54, West Delta Area, and a point on the South Line of State Lease No. 17932, having Coordinates of X = 2,615,927.93 and Y = 144,676.30; thence East 4,974.07 feet along the North Line of said Block 54 and the South Line of said State Lease No. 17932 to its Southeast corner; thence continue East 5,475.93 feet along the North Line of said Block 54 to its Northeast corner and the Northwest corner of Block 53, West Delta Area; thence continue East 3,700.00 feet along the North Line of said Block 53 to the Northwest corner of State Lease No. 17935 having Coordinates of X = 2,630,077.93 and Y = 144,676.30; thence South 5,900.00 feet along the West Line of said State Lease No. 17935 to the Northeast corner of the West portion of State Lease No. 978, as amended, having Coordinates of X = 2,630,077.93 and Y = 138,776.30; thence West 3,700.00 feet along the North Line of said West portion of said State Lease No. 978 to its Northwest corner, and a point on the East Line of State Lease No. 979, as amended, and a point on the common line between said Block 53 and said Block 54, having Coordinates of X = 2,626,377.93 and Y = 138,776.30; thence along the boundaries of said State Lease No. 979 the following: North 1,400.00 feet, North 55 degrees 06 minutes 12 seconds West 5,243.85 feet and West 6,149.07 feet to the Northwest corner of said State Lease No. 979 and a point on the East Line of said State Lease No. 2549 having Coordinates of X = 2,615,927.93 and Y = 143,176.30; thence North 1,500.00 feet along the East Line of said State Lease No. 2549 to the point of beginning, containing approximately **1,009.10 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.

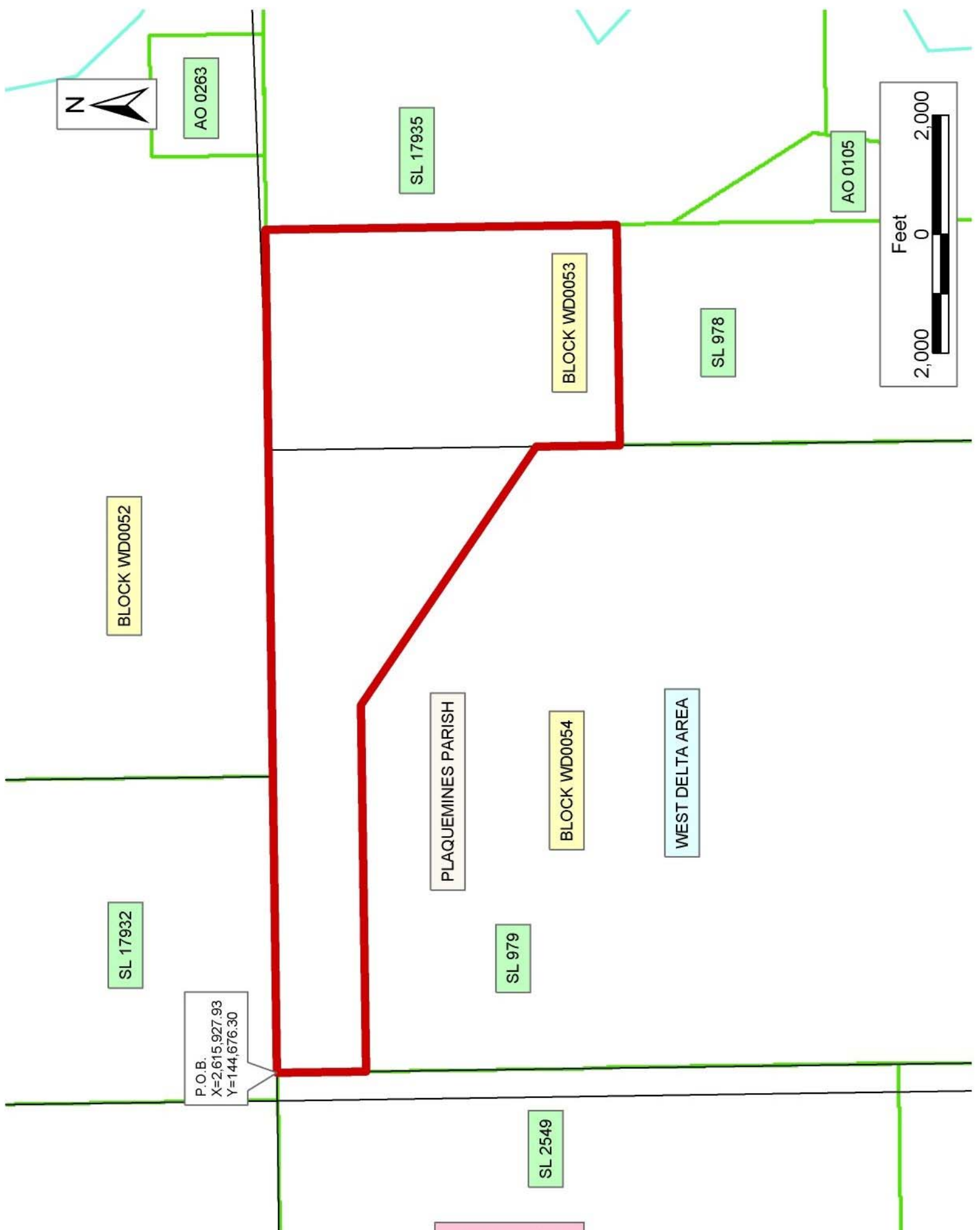
NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied,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

| Bidder | Cash Payment | Price/Acre | Rental | Oil | Gas | Other |
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P.O.B.
X=2,615,927.93
Y=144,676.30