TRACT 40569 - St. Mary Parish, Louisiana

A portion of all lands located above the mean high water mark, together with lands now or formerly constituting the beds and bottoms of any water body of whatever description or nature belonging to the State of Louisiana which is now located within the boundaries of the Atchafalaya Delta Wildlife Management Area and not presently under mineral lease by the State of Louisiana on November 12, 2008, and more particularly located as follows: Beginning at a Northeastern corner of State Lease No. 19009 having Coordinates of X = 1,979,843.24 and Y = 270,753.00; thence North 2,618.25 feet to a point having Coordinates of X = 1,979,843.24 and Y =273,371.25; thence South 89 degrees 57 minutes 55 seconds East 1,850.00 feet to a point having Coordinates of X = 1,981,693.24 and Y = 273,370.13; 4,000.00 feet to a point having Coordinates of thence East 1,985,693.24 and Y = 273,370.13; thence South 870.13 Northwestern corner of said State Lease No. 19009 having Coordinates of X = 1,985,693.24 and Y = 272,500.00; thence along the boundary of said State Lease No. 19009 the following courses: South 2,129.87 feet to a point having Coordinates of X = 1,985,693.24 and Y = 270,370.13; West 5,850.00 feet to a point having Coordinates of X = 1,979,843.24 and Y = 270,370.13and North 382.87 feet to the point of beginning, containing approximately 402.92 acres, all as more particularly outlined on a plat on file in the of Mineral Resources, Department of Natural Resources. bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (South Zone).

NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, or statutory, including, but not limited to, the implied warranties of merchantability and fitness for purpose. Should the mineral lease awarded by the Louisiana State Mineral Board be subsequently modified, cancelled or abrogated due to 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 Lessor prior to such modification, cancellation, paid by the abrogation, including, but not limited to, bonuses, rentals and royalties.

NOTE: The Office of Mineral Resources will require a minimum bonus of \$350 per acre and a minimum royalty of 25%.

NOTE: This tract is located in The Atchafalaya Delta WMA under the jurisdiction of the Louisiana Department of Wildlife and Fisheries which has promulgated rules and regulations for the protection of game and wildlife on the aforesaid Tract and, therefore, shall be subject to said rules and regulations, a copy of which shall be attached to the mineral

lease. In addition to the specific rules and regulations applicable, the following shall apply regarding operations under this mineral lease:

- 1. No activities will be allowed without written authorization of the Louisiana Department of Wildlife and Fisheries.
- 2. Proposed projects will be evaluated on a case by case basis. Modifications to proposed project features including but not limited to access routes, spoil placement, well sites, flowlines and appurtenant structures may be required by the Department of Wildlife and Fisheries.
- 3. Compliance with the Atchafalaya Delta WMA regulations will be required unless otherwise specified by the Department of Wildlife and Fisheries.
- 4. Compensatory mitigation will be required to offset unavoidable wetland impacts.
- 5. Removal of all structures, facilities and equipment will be required within 120 days of abandonment unless otherwise agreed to in writing by the Department of Wildlife and Fisheries.
- 6. No activities will be allowed during the hunting season unless authorized by the Department.
- 7. This tract is located within the emerging Atchafalaya Delta. No activities will be allowed on emergent islands or vegetated wetlands. The Louisiana Department of Wildlife and Fisheries (LDWF) shall have discretion to determine access routes. In the event that LDWF approves of dredging for access, LDWF shall have discretion to require hydraulic or spray dredging to reduce environmental impacts.
- 8. Prior to submitting applications for wetland permits to Federal and State permitting agencies the lease holder shall coordinate project details with the Department of Wildlife and Fisheries. Contact person for the Department will be Mike Windham at (504) 284-5268.

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 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: ROBERT A. SCHROEDER, INC.

Bidder	Cash	Price/	Rental	Oil	Gas	Other
	Payment	Acre				

