

SPECIAL NOTICE

NOTICE OF CORRECTION

On Wednesday, September 15, 2004 the Office of Mineral Resources on behalf of the State Mineral Board advertised in the Notice of Publication for receipt of sealed bids on or before **12:00 o'clock noon on Tuesday, November 9, 2004**, for State Leases to be awarded upon **Tract Nos. 36855 through 36928**, inclusive at its **November 10, 2004** Lease Sale. In addition, an advertisement for an Exclusive Geophysical Agreement tract should have been added with a **Tract No. 36929** Calcasieu and Cameron Parishes, Louisiana. By virtue of this public notice, said description and plat for said **Tract No. 36929** Calcasieu and Cameron Parishes, Louisiana is hereby added as follows:

EXCLUSIVE GEOPHYSICAL AGREEMENT TRACT 36929 - Calcasieu and Cameron Parishes, Louisiana

The Exclusive Geophysical Agreement is a Type **# 3**, and carries a maximum **Initial Term of eighteen (18) months**, with an **Option Term, if exercised by additional payment as specified in the agreement, of six (6) months**. The Exclusive Geophysical Agreement #3, shall be effective from **November 10, 2004**, for a period terminating **May 10, 2006**, unless the option period is activated by payment of the option payment amount set forth in the agreement, in which case the termination date shall be **November 8, 2006**, and which agreement authorizes the successful bidder to conduct at least 3-D geophysical operations on all state-owned water bottoms situated in an area in **Calcasieu and Cameron** Parishes, which area is identified for convenience as **Tract No. 36929** and is more particularly described hereinafter, and further, which Tract shall exclude and not be deemed to cover any area subject to an existing oil and gas lease or Operating Agreement from the State of Louisiana lying within the geographical boundaries thereof. The minimum bids which will be considered by the Mineral Board for the seismic survey portion of the agreement shall be **\$20.00 per acre** while the minimum bids considered by the Mineral Board for leases selected under the agreement shall be **\$275.00 per acre** bonus/rental and **23% royalty**. Successful bidder hereunder obligates itself to select at least **300 acres** for lease under the agreement for a primary term of **three (3) years** at the bid bonus/rental and royalty, but may select for lease up to the entire amount of presently unleased state-owned lands and water bottoms within the Tract in lease tracts no larger than **1,500 acres** each. All operations conducted under the agreement by the successful bidder, including leasing operations for leases selected thereunder, shall be conducted in accordance with policy of the State Mineral Board as enunciated in the agreement and which is on file in the Office of Mineral

Resources. Copies of same may be obtained upon request. The nominated area is more particularly described as follows: All of the lands, including any islands and/or accretion or reliction to lakes, bays, the coastline or otherwise, where allowed by law, together with all 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, and not presently under mineral lease as of November 10, 2004, situated in the Parish(es) of Calcasieu and Cameron, Louisiana, and more particularly described as follows: Beginning at a point having Coordinates of X = 1,360,432.00 and Y = 519,994.00; thence South 88 degrees 20 minutes 52 seconds East 22,889.52 feet to a point having Coordinates of X = 1,383,312.00 and Y = 519,334.00; thence South 26 degrees 55 minutes 40 seconds East 7,772.73 feet to a point having Coordinates of X = 1,386,832.00 and Y = 512,404.00; thence South 37,400.00 feet to a point having Coordinates of X = 1,386,832.00 and Y = 475,004.00; thence South 89 degrees 45 minutes 41 seconds West 26,400.23 feet to a point having Coordinates of X = 1,360,432.00 and Y = 474,894.00; thence North 45,100.00 feet to the point of beginning, **LESS AND EXCEPT** all those portions of State Lease No. 42 and State Lease No. 50 that may lie within the above described tract, containing approximately **14,566 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 the Louisiana Coordinate System of 1927, (North or South Zone), where applicable.

A cashier's check, certified check or bank money order, payable to the **OFFICE OF MINERAL RESOURCES** for the full amount of cash consideration (but no less than **\$20.00 per acre**) offered for the Exclusive Geophysical Agreement #3 on said Tract shall accompany and be deposited with the bid. The State Mineral Board reserves the right to reject any and all bids.

NOTE: Bidder may, although not required to do so, include as Additional Consideration, which would be one of the factors duly considered by the Mineral Board in selecting a bid for this Exclusive Geophysical Agreement #3 and become a specific term thereof, an obligation on the successful bidders part to deliver to the Office of Mineral Resources, as representing the Mineral Board, one (1) copy of the final 3-D seismic digital tape in SEG Y format which includes the final processed, filtered and migrated 3-D volume data set used for seismic interpretation and all other basic geophysical data and other information obtained from the contracting party's operations on **Tract No. 36929**, at the end of the initial period, or option period if exercised, if processing is completed, but no later than six (6) months from the end date of the initial period, or option period if exercised. Successful bidder may further include as Additional Consideration, although no required to do so, an obligation on its part, if the tape is reprocessed by the successful bidder, or its agent or representative, within five (5) years of the end of the initial period, or option period if exercised, to give to the Office of Mineral

Resources, on behalf of the Mineral Board, a copy of the reprocessed tape within thirty (30) days of completion of processing. If such Additional Consideration is offered by the successful bidder, any tapes delivered to the Office of Mineral Resources shall be kept for such period as deemed reasonable by the said Office of Mineral Resources for processing, interpreting, working or copying, but under no circumstances for a period exceeding one (1) year, following which the tapes will be returned to the successful bidder. Any such material or data delivered to the Office of Mineral Resources under this Additional Consideration obligation shall be confidential and used solely by the Office of Mineral Resources in the lawful administration and development of lands and water bottoms within the public trust of the State of Louisiana in accordance with LSA-.R.S. 30:209.1

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: Gulfport Energy Corporation

Bidder	Cash Payment	Price/ Acre	Rental	Oil	Gas	Other

