TRACT 39510 - Portion of Blocks 20, and 21, East Cameron Area, Revised, Cameron Parish, Louisiana

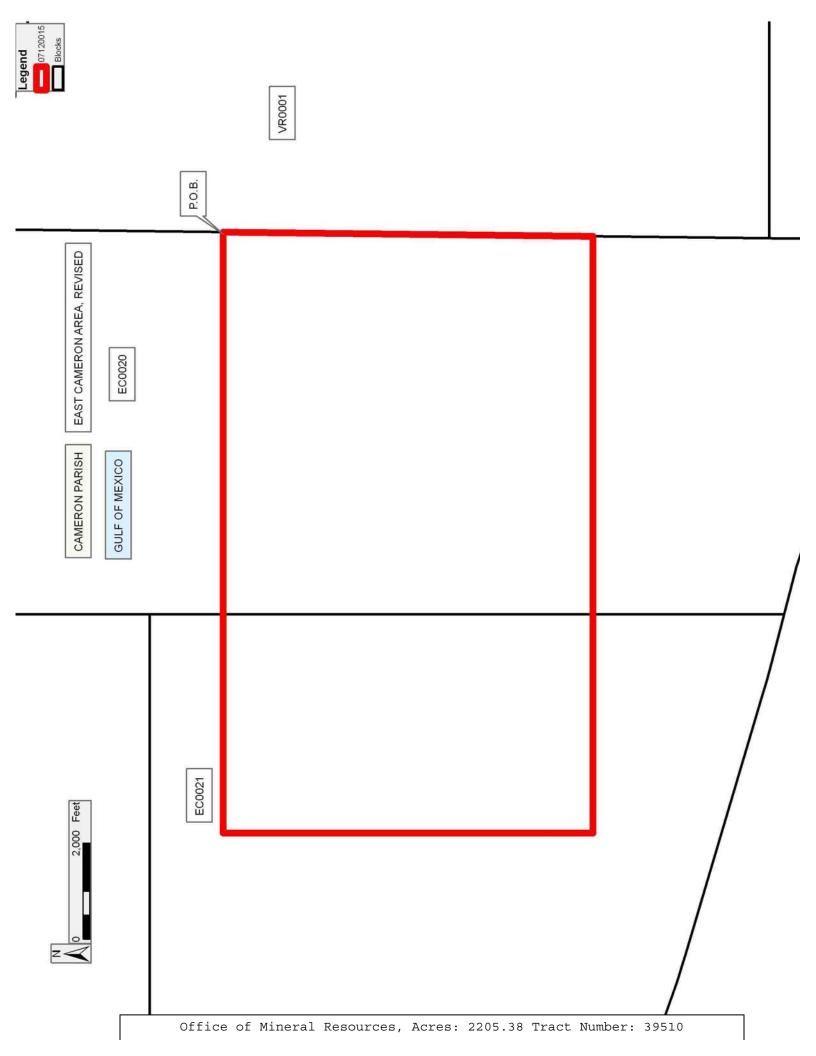
The beds and bottoms of all water bodies belonging to the State of Louisiana located in Blocks 20, and 21, East Cameron Area, Revised, together with any present lands formed by accretion to the shoreline or islands formed therein, located in Cameron Parish, Louisiana, owned by and not presently under mineral lease as of December 12, 2007, from the State of Louisiana, the geographical area of which is more fully described as follows: Beginning at a point on the East boundary of said Block 20 having Coordinates of X = 1,591,267.64 and Y = 328,956.86; thence South 00 degrees 38 minutes 35 seconds West 7,700.49 feet along the East boundary of said Block 20 to a point having Coordinates of X = 1,591,181.21 and Y = 321,256.86; thence West 12,432.92 feet to a point in said Block 21 having Coordinates of X = 1,578,748.29 and Y = 321,256.86; thence North 7,700.00 feet to a point having Coordinates of X = 1,578,748.29 and Y = 328,956.86; thence East 12,519.35 feet to the point of beginning, containing approximately 2,205.38 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).

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	Price/	Rental	Oil	Gas	Other
	Payment	Acre				



TRACT 39511 - Portion of Blocks 20, and 21, East Cameron Area, Revised, Cameron Parish, Louisiana

The beds and bottoms of all water bodies belonging to the State of Louisiana located in Blocks 20, and 21, East Cameron Area, Revised, together with any present lands formed by accretion to the shoreline or islands formed therein, located in Cameron Parish, Louisiana, owned by and not presently under mineral lease as of December 12, 2007, from the State of Louisiana, the geographical area of which is more fully described as follows: Beginning at a point on the East line of Block 20, East Cameron Area, Revised, having Coordinates of X = 1,591,181.21 and Y = 321,256.86; thence South 00 degrees 38 minutes 35 seconds West 5,531.34 feet along the East line of said Block 20 to its Southeast corner having Coordinates of X = 1,591,119.13 and Y = 315,725.86; thence West 2,145.41 feet to a point on the Three Mile Line, as decreed by the Supreme Court of the United States, as determined by a Special Master appointed therein, in litigation styled United States v. State of Louisiana et al No. 9 Original, in 1975, having Coordinates of X = 1,588,973.72 and Y = 315,725.86; thence along said Three Mile Line the following: Northwesterly on a straight line to a point having Coordinates of X = 1,588,108 and Y = 315,899; Northwesterly along an arc to the right having a radius of 18,240.60 feet and a center at X = 1,591,685 and Y = 333,785 to a point having Coordinates of X = 1,585,928 and Y = 316,477; Northwesterly on a straight line to a point having Coordinates of X = 1,584,286 and Y = 317,023; Northwesterly on a straight line to a point having Coordinates of X = 1,582,201 and Y = 317,563; Northwesterly along an arc to the right having a radius of 18,240.60 feet and a center at X = 1,586,780 and Y = 335,220 to a point having Coordinates of X = 1,581,596 and Y = 317,732 and Northwesterly on a straight line to a point having Coordinates of X = 1,578,748.29 and Y =318,576.16; thence North 2,680.69 feet to a point within Block 21, East Cameron Area, Revised, having Coordinates of X = 1,578,748.29 and Y = 321,256.86; thence East 12,432.92 feet to the point of beginning, containing approximately 1,252.05 acres, LESS AND EXCEPT that portion thereof, if any, lying seaward of the line three nautical miles from the coast line of Louisiana, as said three mile line has been decreed by the Supreme Court of the United States, as determined by a Special Master appointed therein, in litigation styled **United States v.** State of Louisiana et al No. 9 Original, in 1975, all as more particularly outlined on a plat in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on the 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 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	Price/	Rental	Oil	Gas	Other
	Payment	Acre				

