TRACT 36193 - Portion of Blocks 10, and 9, Grand Isle Area, Jefferson and Plaquemines Parishes, 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 March 10, 2004, situated in Jefferson and Plaquemines Parishes, Louisiana, and more particularly described as follows: Beginning at a point within Block 10, Grand Isle Area, having Coordinates of X = 2,452,212.00 and Y =200,292.00; thence East 8,159.00 feet to a point within Block 9 having Coordinates X = 2,460,371.00 and Y = 200,292.00; thence South 711.50 feet to a point having Coordinates X = 2,460,371.00 and Y = 199,580.50; thence Southwest along a straight line to a point within said Block 10 having Coordinates X = 2,452,212.00 and Y = 198,078.18; thence North 2,213.82 feet to the point of beginning; containing approximately 273.96 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 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 such modification, cancellation, paid by the Lessor prior to 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 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: It appears, according to our records, that a portion of this Tract is located within the restrictive safety fairway area as set out by the Corps of Engineers, U.S. Army and/or the restrictive anchorage area as set out by the U.S. Coast Guard.

Applicant: Millennium Offshore Group, Inc.

Bidder	Cash	Price/	Rental	Oil	Gas	Other
	Payment	Acre				

