

**TRACT 33501 - PORTION OF BLOCK 68, CHANDELEUR SOUND AREA, St. Bernard Parish, Louisiana**

That portion of Block 68, Chandeleur Sound Area, St. Bernard Parish, Louisiana, belonging to the State of Louisiana and not under mineral lease on June 13, 2001, described as follows: Beginning at a point within Block 68, Chandeleur Sound Area, having Coordinates of X = 2,655,475.00 and Y = 394,080.00; thence West 5,375.00 feet to a point on the West line of said Block 68 having Coordinates of X = 2,650,100.00 and Y = 394,080.00; thence South 8,850.00 feet along the West line of said Block 68 to a point having Coordinates of X = 2,650,100.00 and Y = 385,230.00; thence South 58 degrees 56 minutes 19 seconds East 7,558.81 feet to a point on the South line of said Block 68 having Coordinates of X = 2,656,575.00 and Y = 381,330.00; thence East 3,700.00 feet along the South line of said Block 68 to a point having Coordinates of X = 2,660,275.00 and Y = 381,330.00; thence North 7,200.00 feet to a point having Coordinates of X = 2,660,275.00 and Y = 388,530.00; thence West 2,800.00 feet to a point having Coordinates of X = 2,657,475.00 and Y = 388,530.00; thence North 3,050.00 feet to a point having Coordinates of X = 2,657,475.00 and Y = 391,580.00; thence West 2,000.00 feet to a point having Coordinates of X = 2,655,475.00 and Y = 391,580.00; thence North 2,500.00 feet to the point of beginning, containing approximately **2,216.83 acres**, as shown outlined in red on a plat on file in the Office of Mineral Resources, Department of Natural Resources, as provided by the applicant. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927 (South Zone).

NOTE: The boundary description and plat for this tract as shown and as advertised were supplied by the nominating party and have not been checked for accuracy by the staff of the Office of Mineral Resources. Anything which may affect the acreage, the shape or the location of the tract, such as non-closure of or incorrect X, Y coordinates or title disputed acreage, or which may affect the status of the tract for leasing, such as overlap of prior leases or nominated tracts, or which may affect potential operations on leases taken, such as inclusion in areas under the jurisdiction of the Department of Wildlife and Fisheries, will not be specifically determined unless and until a bid on this tract is accepted by the Mineral Board; which bid will be accepted on a per acre basis and which acceptance will be conditional upon such specific determinations being made. Once a bid is conditionally accepted by the Mineral Board, the staff will, within a period following the date of the lease sale, determine the acreage, shape and location of the potential lease area of the tract, the status for leasing of all or any portion thereof, and any conditions which may affect potential operations thereon. These determinations may render all or a portion of the bid area unleaseable or may increase or decrease the State claimed acreage such that the total bonus/rental ultimately required may either exceed the bonus/rental paid at the lease sale, which will require additional payment by the successful bidder, or allow the successful bidder a refund of excessive payment. The successful bidder will be notified of the determinations by the staff and given an opportunity to view the bid area acreage, configuration and location as it has been specifically determined. If all or a portion of the bid area is unleaseable due to overlap of an existing lease, the successful bidder

will be given an opportunity to accept or reject a new lease on that portion of the bid area which is not unleaseable. If rejected, the bid and all monies accompanying the bid will be returned to the successful bidder and no lease will be issued. In all other cases a new lease will be issued and any additional per acre bonus/rental, 10% administration fee or \$10 and \$5 per acre fees due as a result of staff determination of more State acreage in the bid area than determined by the successful bidder will be paid prior to the lease being issued. A determination of less State acreage in the bid area will result in a return to the successful bidder of any overpayment.

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 hereinabove reserved.

Applicant: Cypress Energy Corporation

| Bidder | Cash<br>Payment | Price<br>/ Acre | Rental | Oil | Gas | Other |
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POB  
X=2,655,475.00  
Y=394,080.00

68

TR 33501  
2,216.83 +/- ACS.  
JUNE, 2001



**CHANDELEUR SOUND AREA**

**St. Bernard Parish, Louisiana**

**Scale: 1" = 2,000'**

**TRACT 33502 - PORTION OF BLOCK 68, CHANDELEUR SOUND AREA, St. Bernard Parish, Louisiana**

That portion of Block 68, Chandeleur Sound Area, St. Bernard Parish, Louisiana, belonging to the State of Louisiana and not under mineral lease on June 13, 2001, described as follows: Beginning at the Southwest corner of Block 68, Chandeleur Sound Area, having Coordinates of X = 2,650,100.00 and Y = 381,330.00; thence North 3,900.00 feet along the West line of said Block 68 to a point having Coordinates of X = 2,650,100.00 and Y = 385,230.00; thence South 58 degrees 56 minutes 19 seconds East 7,558.81 feet to a point on the South line of said Block 68 having Coordinates of X = 2,656,575.00 and Y = 381,330.00; thence West 6,475.00 feet along the South line of said Block 68 to the point of beginning, containing approximately **289.86 acres**, as shown outlined in red on a plat on file in the Office of Mineral Resources, Department of Natural Resources, as provided by the applicant. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927 (South Zone).

NOTE: The boundary description and plat for this tract as shown and as advertised were supplied by the nominating party and have not been checked for accuracy by the staff of the Office of Mineral Resources. Anything which may affect the acreage, the shape or the location of the tract, such as non-closure of or incorrect X, Y coordinates or title disputed acreage, or which may affect the status of the tract for leasing, such as overlap of prior leases or nominated tracts, or which may affect potential operations on leases taken, such as inclusion in areas under the jurisdiction of the Department of Wildlife and Fisheries, will not be specifically determined unless and until a bid on this tract is accepted by the Mineral Board; which bid will be accepted on a per acre basis and which acceptance will be conditional upon such specific determinations being made. Once a bid is conditionally accepted by the Mineral Board, the staff will, within a period following the date of the lease sale, determine the acreage, shape and location of the potential lease area of the tract, the status for leasing of all or any portion thereof, and any conditions which may affect potential operations thereon. These determinations may render all or a portion of the bid area unleaseable or may increase or decrease the State claimed acreage such that the total bonus/rental ultimately required may either exceed the bonus/rental paid at the lease sale, which will require additional payment by the successful bidder, or allow the successful bidder a refund of excessive payment. The successful bidder will be notified of the determinations by the staff and given an opportunity to view the bid area acreage, configuration and location as it has been specifically determined. If all or a portion of the bid area is unleaseable due to overlap of an existing lease, the successful bidder will be given an opportunity to accept or reject a new lease on that portion of the bid area which is not unleaseable. If rejected, the bid and all monies accompanying the bid will be returned to the successful bidder and no lease will be issued. In all other cases a new lease will be issued and any additional per acre bonus/rental, 10% administration fee or \$10 and \$5 per acre fees due as a result of staff determination of more State acreage in the bid area than determined by the successful bidder will be paid prior to the lease

being issued. A determination of less State acreage in the bid area will result in a return to the successful bidder of any overpayment.

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 hereinabove reserved.

Applicant: Cypress Energy Corporation

| Bidder | Cash<br>Payment | Price<br>/ Acre | Rental | Oil | Gas | Other |
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68

567.15 acres

TR 33502  
289.86 +/- ACS.  
JUNE, 2001

504.13 acres

289.86 acres

POB  
X=2,650,100.00  
Y=381,330.00



CHANDELEUR SOUND AREA  
St. Bernard Parish, Louisiana

Scale: 1" = 2,000'

**TRACT 33503 - PORTION OF BLOCK 68, CHANDELEUR SOUND AREA, St. Bernard Parish, Louisiana**

That portion of Block 68, Chandeleur Sound Area, St. Bernard Parish, Louisiana, belonging to the State of Louisiana and not under mineral lease on June 13, 2001, described as follows: Beginning at a point on the East line of Block 68, Chandeleur Sound Area, having Coordinates of X = 2,664,850.00 and Y = 391,530.00; thence South 5,400.00 feet along the East line of said Block 68 to a point having Coordinates of X = 2,664,850.00 and Y = 386,130.00; thence West 4,575.00 feet to a point having Coordinates of X = 2,660,275.00 and Y = 386,130.00; thence North 5,400.00 feet to a point having Coordinates of X = 2,660,275.00 and Y = 391,530.00; thence East 4,575.00 feet to the point of beginning, containing approximately **567.15 acres**, as shown outlined in red on a plat on file in the Office of Mineral Resources, Department of Natural Resources, as provided by the applicant. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927 (South Zone).

NOTE: The boundary description and plat for this tract as shown and as advertised were supplied by the nominating party and have not been checked for accuracy by the staff of the Office of Mineral Resources. Anything which may affect the acreage, the shape or the location of the tract, such as non-closure of or incorrect X, Y coordinates or title disputed acreage, or which may affect the status of the tract for leasing, such as overlap of prior leases or nominated tracts, or which may affect potential operations on leases taken, such as inclusion in areas under the jurisdiction of the Department of Wildlife and Fisheries, will not be specifically determined unless and until a bid on this tract is accepted by the Mineral Board; which bid will be accepted on a per acre basis and which acceptance will be conditional upon such specific determinations being made. Once a bid is conditionally accepted by the Mineral Board, the staff will, within a period following the date of the lease sale, determine the acreage, shape and location of the potential lease area of the tract, the status for leasing of all or any portion thereof, and any conditions which may affect potential operations thereon. These determinations may render all or a portion of the bid area unleaseable or may increase or decrease the State claimed acreage such that the total bonus/rental ultimately required may either exceed the bonus/rental paid at the lease sale, which will require additional payment by the successful bidder, or allow the successful bidder a refund of excessive payment. The successful bidder will be notified of the determinations by the staff and given an opportunity to view the bid area acreage, configuration and location as it has been specifically determined. If all or a portion of the bid area is unleaseable due to overlap of an existing lease, the successful bidder will be given an opportunity to accept or reject a new lease on that portion of the bid area which is not unleaseable. If rejected, the bid and all monies accompanying the bid will be returned to the successful bidder and no lease will be issued. In all other cases a new lease will be issued and any additional per acre bonus/rental, 10% administration fee or \$10 and \$5 per acre fees due as a result of staff determination of more State acreage in the bid area than determined by the successful bidder will be paid prior to the lease

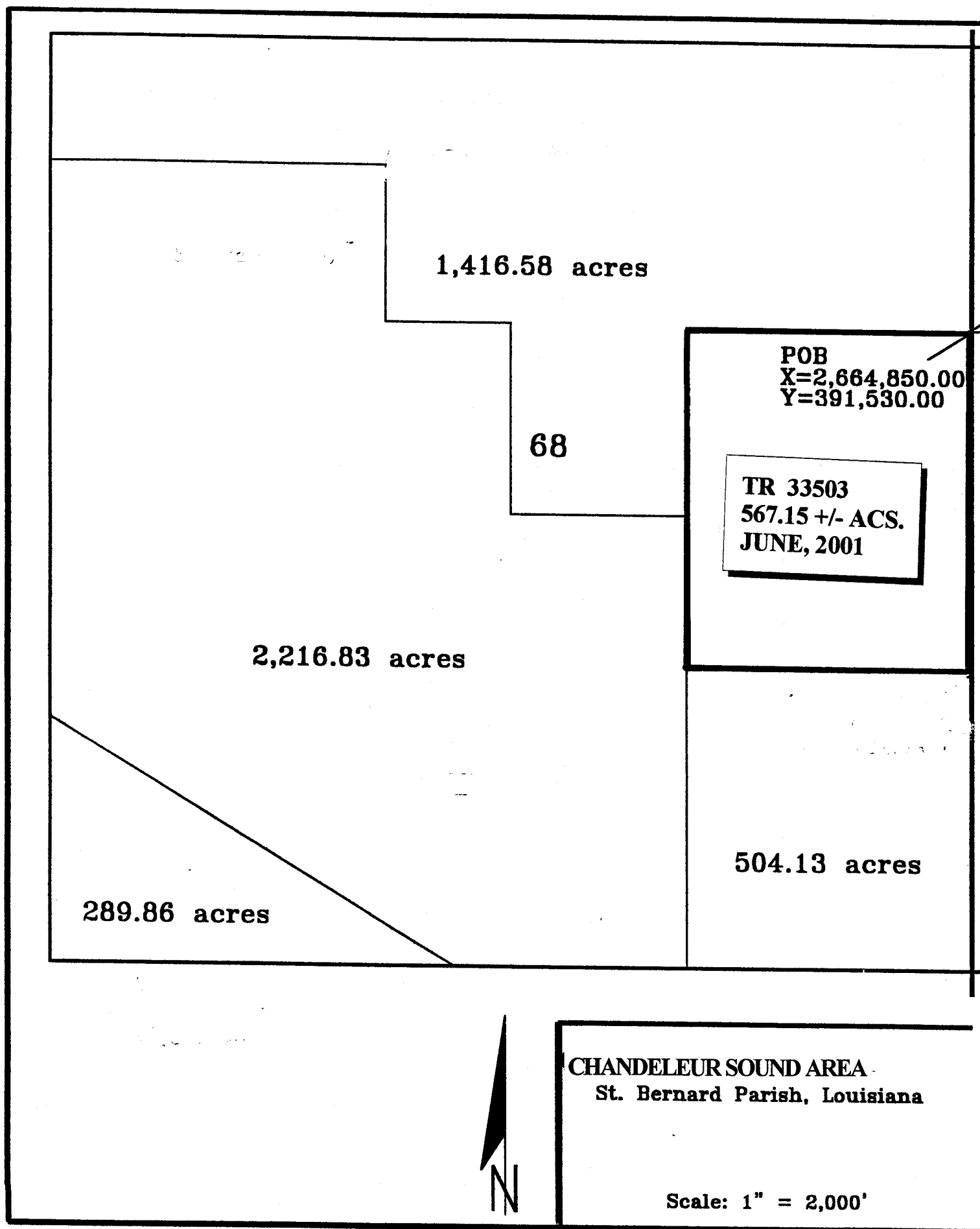
being issued. A determination of less State acreage in the bid area will result in a return to the successful bidder of any overpayment.

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 hereinabove reserved.

Applicant: Cypress Energy Corporation

| Bidder | Cash<br>Payment | Price<br>/ Acre | Rental | Oil | Gas | Other |
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**TRACT 33504 - PORTION OF BLOCK 68, CHANDELEUR SOUND AREA, St. Bernard Parish, Louisiana**

That portion of Block 68, Chandeleur Sound Area, St. Bernard Parish, Louisiana, belonging to the State of Louisiana and not under mineral lease on June 13, 2001, described as follows: Beginning at a point on the East line of Block 68, Chandeleur Sound Area, having Coordinates of X = 2,664,850.00 and Y = 386,130.00; thence South 4,800.00 feet along the East line of said Block 68 to its Southeast corner having Coordinates of X = 2,664,850.00 and Y = 381,330.00; thence West 4,575.00 feet along the South line of said Block 68 to a point having Coordinates of X = 2,660,275.00 and Y = 381,330.00; thence North 4,800.00 feet to a point having Coordinates of X = 2,660,275.00 and Y = 386,130.00; thence East 4,575.00 feet to the point of beginning, containing approximately 504.13 acres, as shown outlined in red on a plat on file in the Office of Mineral Resources, Department of Natural Resources, as provided by the applicant. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927 (South Zone).

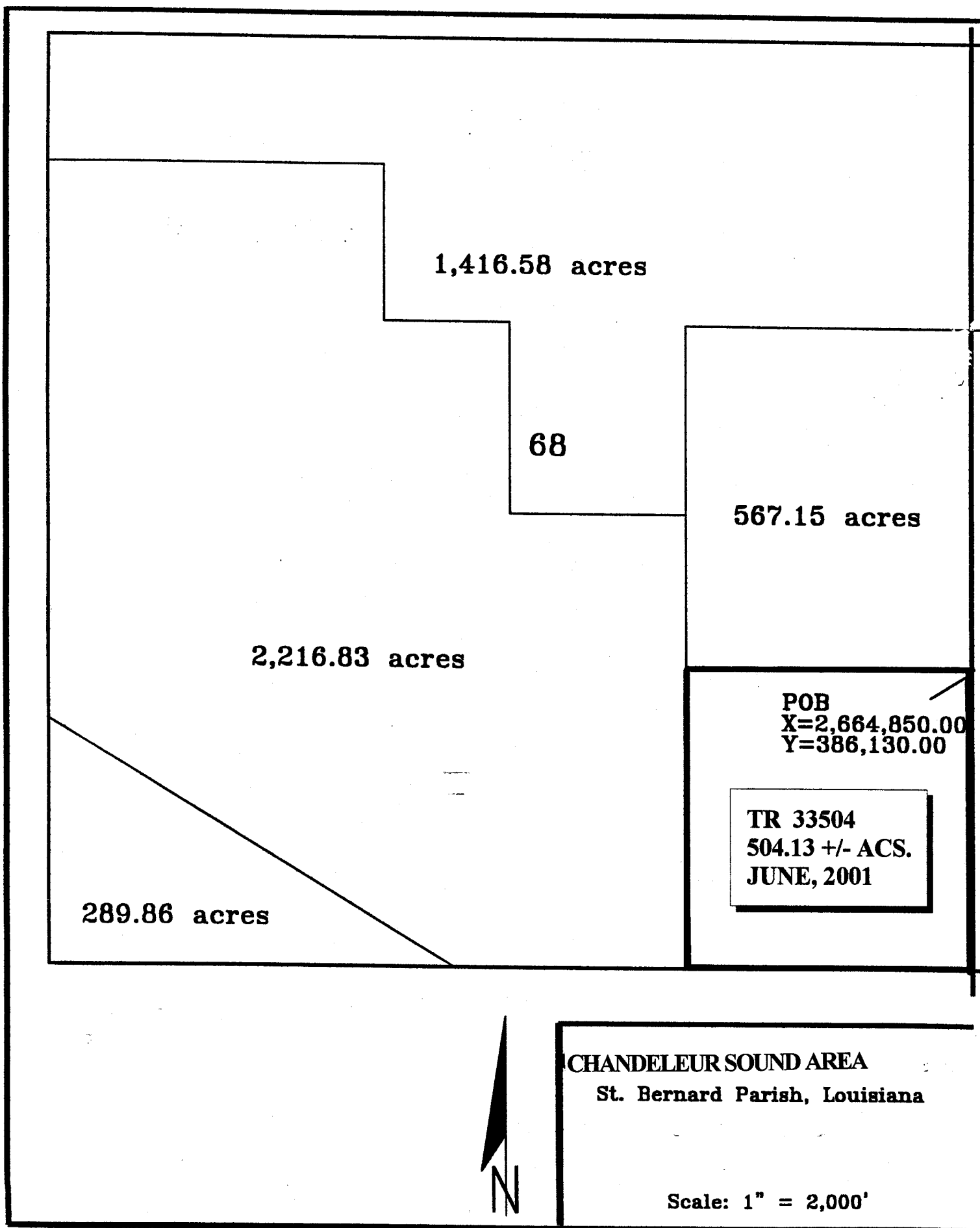
NOTE: The boundary description and plat for this tract as shown and as advertised were supplied by the nominating party and have not been checked for accuracy by the staff of the Office of Mineral Resources. Anything which may affect the acreage, the shape or the location of the tract, such as non-closure of or incorrect X, Y coordinates or title disputed acreage, or which may affect the status of the tract for leasing, such as overlap of prior leases or nominated tracts, or which may affect potential operations on leases taken, such as inclusion in areas under the jurisdiction of the Department of Wildlife and Fisheries, will not be specifically determined unless and until a bid on this tract is accepted by the Mineral Board; which bid will be accepted on a per acre basis and which acceptance will be conditional upon such specific determinations being made. Once a bid is conditionally accepted by the Mineral Board, the staff will, within a period following the date of the lease sale, determine the acreage, shape and location of the potential lease area of the tract, the status for leasing of all or any portion thereof, and any conditions which may affect potential operations thereon. These determinations may render all or a portion of the bid area unleaseable or may increase or decrease the State claimed acreage such that the total bonus/rental ultimately required may either exceed the bonus/rental paid at the lease sale, which will require additional payment by the successful bidder, or allow the successful bidder a refund of excessive payment. The successful bidder will be notified of the determinations by the staff and given an opportunity to view the bid area acreage, configuration and location as it has been specifically determined. If all or a portion of the bid area is unleaseable due to overlap of an existing lease, the successful bidder will be given an opportunity to accept or reject a new lease on that portion of the bid area which is not unleaseable. If rejected, the bid and all monies accompanying the bid will be returned to the successful bidder and no lease will be issued. In all other cases a new lease will be issued and any additional per acre bonus/rental, 10% administration fee or \$10 and \$5 per acre fees due as a result of staff determination of more State acreage in the bid area than determined by the successful bidder will be paid prior to the lease

being issued. A determination of less State acreage in the bid area will result in a return to the successful bidder of any overpayment.

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 hereinabove reserved.

Applicant: Cypress Energy Corporation

| Bidder | Cash<br>Payment | Price<br>/ Acre | Rental | Oil | Gas | Other |
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**TRACT 33505 - PORTION OF BLOCK 67, CHANDELEUR SOUND AREA, St. Bernard Parish, Louisiana**

That portion of Block 67, Chandeleur Sound Area, St. Bernard Parish, Louisiana, belonging to the State of Louisiana and not under mineral lease on June 13, 2001, described as follows: Beginning at a point on the West line of Block 67, Chandeleur Sound Area, and the most West Southwest corner of State Lease No. 16167 having Coordinates of X = 2,664,850.00 and Y = 391,530.00; thence along the South boundary of said State Lease No. 16167 as follows: East 1,300.00 feet to a point having Coordinates of X = 2,666,150.00 and Y = 391,530.00, South 1,450.00 feet to a point having Coordinates of X = 2,666,150.00 and Y = 390,080.00 and East 6,075.00 feet to a point having Coordinates of X = 2,672,225.00 and Y = 390,080.00; thence South 8,750.00 feet to a point on the South line of said Block 67 having Coordinates of X = 2,672,225.00 and Y = 381,330.00; thence West 7,375.00 feet along the South line of said Block 67 to its Southwest corner having Coordinates of X = 2,664,850.00 and Y = 381,330.00; thence North 10,200.00 feet along the West line of said Block 67 to the point of beginning, containing approximately 1,524.71 acres, as shown outlined in red on a plat on file in the Office of Mineral Resources, Department of Natural Resources, as provided by the applicant. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927 (South Zone).

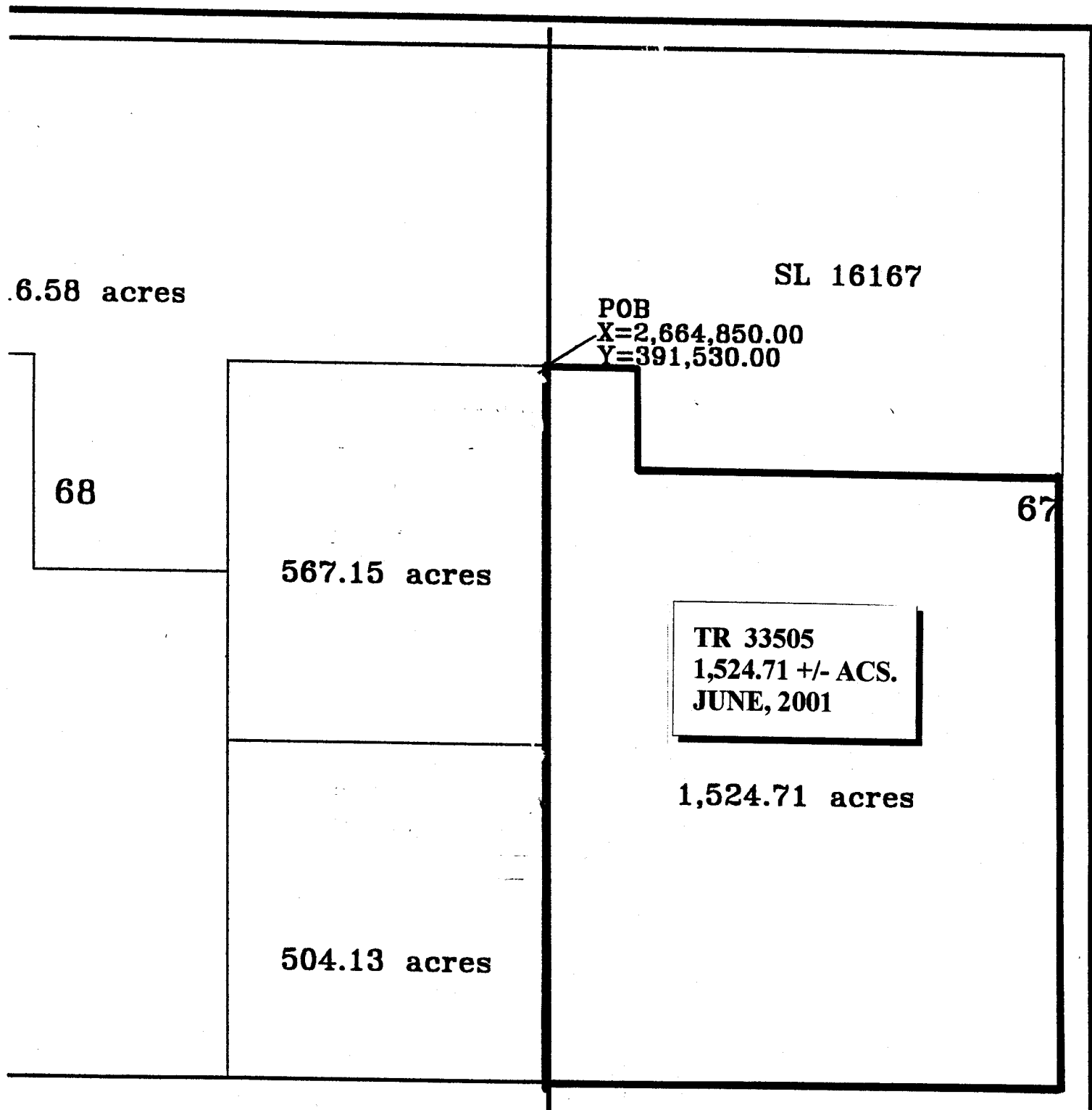
NOTE: The boundary description and plat for this tract as shown and as advertised were supplied by the nominating party and have not been checked for accuracy by the staff of the Office of Mineral Resources. Anything which may affect the acreage, the shape or the location of the tract, such as non-closure of or incorrect X, Y coordinates or title disputed acreage, or which may affect the status of the tract for leasing, such as overlap of prior leases or nominated tracts, or which may affect potential operations on leases taken, such as inclusion in areas under the jurisdiction of the Department of Wildlife and Fisheries, will not be specifically determined unless and until a bid on this tract is accepted by the Mineral Board; which bid will be accepted on a per acre basis and which acceptance will be conditional upon such specific determinations being made. Once a bid is conditionally accepted by the Mineral Board, the staff will, within a period following the date of the lease sale, determine the acreage, shape and location of the potential lease area of the tract, the status for leasing of all or any portion thereof, and any conditions which may affect potential operations thereon. These determinations may render all or a portion of the bid area unleaseable or may increase or decrease the State claimed acreage such that the total bonus/rental ultimately required may either exceed the bonus/rental paid at the lease sale, which will require additional payment by the successful bidder, or allow the successful bidder a refund of excessive payment. The successful bidder will be notified of the determinations by the staff and given an opportunity to view the bid area acreage, configuration and location as it has been specifically determined. If all or a portion of the bid area is unleaseable due to overlap of an existing lease, the successful bidder will be given an opportunity to accept or reject a new lease on that portion of the bid area which is not unleaseable. If rejected, the bid and all monies accompanying the bid will be returned to the

successful bidder and no lease will be issued. In all other cases a new lease will be issued and any additional per acre bonus/rental, 10% administration fee or \$10 and \$5 per acre fees due as a result of staff determination of more State acreage in the bid area than determined by the successful bidder will be paid prior to the lease being issued. A determination of less State acreage in the bid area will result in a return to the successful bidder of any overpayment.

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 hereinabove reserved.

Applicant: Cypress Energy Corporation

| Bidder | Cash<br>Payment | Price<br>/ Acre | Rental | Oil | Gas | Other |
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**CHANDELEUR SOUND AREA**  
**St. Bernard Parish, Louisiana**

**Scale: 1" = 2,000'**