

TRACT 41480 - Portion of Blocks 12, and 9, Vermilion Area, Revised, Vermilion Parish, Louisiana

The beds and bottoms of all water bodies belonging to the State of Louisiana located in Blocks 12, and 9, Vermilion Area, Revised, together with any present lands formed by accretion to the shoreline or islands formed therein, located in Vermilion Parish, Louisiana, owned by and not presently under mineral lease as of June 9, 2010, from the State of Louisiana, the geographical area of which is more fully described as follows: Beginning at a point on the Louisiana Coastline, 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 = 1,717,270.63 and Y = 324,411.65; thence South 23 degrees 37 minutes 57 seconds East 7,442.89 feet to a point having Coordinates of X = 1,720,254.25 and Y = 317,592.95; thence South 62 degrees 29 minutes 20 seconds West 4,340.01 feet to the Easternmost Southeast corner of State Lease No. 19998 having Coordinates of X = 1,716,405.00 and Y = 315,588.20; thence North 3,991.80 feet along the East boundary of said State Lease No. 19998 to its Northeast corner, also being the Easternmost corner of State Lease No. 19257 having Coordinates of X = 1,716,405.00 and Y = 319,580.00; thence West 2,611.62 feet along the North boundary of said State Lease No. 19257 to its Northwest corner, also being the Easternmost Northeast corner of State Lease No. 19258 having Coordinates of X = 1,713,793.38 and Y = 319,580.00; thence along the boundary of said State Lease No. 19258 the following courses: West 758.38 feet to a point having Coordinates of X = 1,713,035.00 and Y = 319,580.00; North 549.00 feet to a point having Coordinates of X = 1,713,035.00 and Y = 320,129.00 and North 78 degrees 13 minutes 41 seconds West 2,039.99 feet to its Northernmost corner, also being a point on said Louisiana Coastline having Coordinates of X = 1,711,037.92 and Y = 320,545.19; thence Northeasterly on a straight line along said Louisiana Coastline to the Westernmost corner of State Lease No. 18180, as amended, having Coordinates of X = 1,711,437.99 and Y = 320,817.10; thence South 79 degrees 00 minutes 00 seconds East 1,626.91 feet along the South boundary of said State Lease No. 18180 to its Southeast corner, also being the Southwest corner of State Lease No. 18179, as amended, having Coordinates of X = 1,713,035.00 and Y = 320,506.67; thence along the boundary of said State Lease No. 18179 the following courses: South 79 degrees 00 minutes 00 seconds East 2,068.78 feet to a point having Coordinates of X = 1,715,065.77 and Y = 320,111.93 and North 11 degrees 00 minutes 00 seconds East 3,394.91 feet to its Northeast corner, also being a point on said Louisiana Coastline having Coordinates of X = 1,715,713.55 and Y = 323,444.46; thence along said Louisiana Coastline the following: Northeasterly on a straight line to a point having Coordinates of X = 1,717,114 and Y = 324,303 and Northeasterly on a straight line to the point of beginning, containing approximately **598.56 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.

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: CYPRESS ENERGY CORPORATION

Bidder	Cash Payment	Price/Acre	Rental	Oil	Gas	Other

