

MEMORANDUM

~~June 26, 2003~~

To: Mr. Robert W. Scheffy, Jr.
Jones, Walker, Waechter, Poitevent,
Carrere & Denegre, L.L.P.

From: Newman Trowbridge, Jr.

Re: Bayou Postillion

Dear Bob:

I have reviewed the documents you recently transmitted relative to the captioned matter. The substance of the boundary agreement, dredging and spoil disposal agreement and proces verbal are generally acceptable. There, however, minor changes I am requesting in each of these documents. Attached hereto is a revised version of each agreement containing the changes we are requesting.

With respect to both the boundary agreement and the dredging and spoil disposal agreement, I have made revisions in the last Recital indicating that the purpose of the document is to serve both public and private purposes, as opposed to just public purposes. In all three agreements, I have revised the appearances to reflect the changes in ownership since these drafts were prepared and deleting those owners of an undivided interest whose consent to the agreements we will apparently be unable to obtain. The primary substantive provision is the addition of a new paragraph 1.6 in the dredging and spoil disposal agreement. This paragraph is the result of my conversation with Bob Carpenter concerning the separation of the boundary agreement from the spoil disposal agreement. Bob advises that he has requested the separation because of different formalities and agencies responsible for the agreements but recognizes my concern that the real consideration of the owners for the execution of the spoil disposal agreement is the boundary agreement. Accordingly, Bob has suggested that I add to the spoil disposal agreement language indicating that fact and providing that a failure of the boundary agreement will be a failure of consideration of the spoil disposal agreement. That is what Section 1.6 of the spoil disposal agreement is intended to do.

As to the parties in interest, I have deleted Virginia K. Hine from the list. Mrs. Hine is now deceased; however, prior to her death, she had donated her interest in this property to her children, John E. Hine and Virginia Hine Barber, both of whom are represented by Kyle/Peterman. I have eliminated Donald F. Mioton, III because he has been unresponsive to our requests. I have eliminated Guy Britton

Mioton because he is now deceased; however, his wife and children, Betty White Mioton, Guy Britton Mioton, Jr., Charlotte Mioton Stampley and Virginia Mioton Downer, have been added. Timothy L. McCune and Mary Ann Bradburn Ogden have been eliminated because they have been unresponsive to our requests. Joann Latham Clegg and Ernest Douglas Latham have been eliminated because both are now deceased. Both are non-residents of Louisiana and their succession representatives have requested that I open an ancillary succession for them in this state; however, I have not yet done so and do not have the authority, judicial or otherwise, at this time to execute the agreement on their behalf. The total of those interests which have not consented to the execution of the agreement amounts to an undivided 1.118055%.

Finally, the signature page of all documents have been revised to reflect that all documents will be executed by Kyle/Peterman Management Corporation as agent and attorney in fact for the principal owners.

Once you have had an opportunity to review the attached, please advise me with respect to the acceptability. I am, of course, available to discuss any of this with you further by telephone.