### Houston Energy, L.P.

Two Allen Center 1200 Smith, Suite 2400 Houston, Texas 77002 Phone: (713) 586-5746

Phone: (713) 586-5746 Fax: (713) 650-8305

salford@houstonenergyinc.com



ADJUDICATION SECTION

October 31, 2018

Bureau of Ocean Energy Management Department of the Interior Adjudication Unit (GM 276A) 1201 Elmwood Park Boulevard New Orleans, LA 70123-2394

RE:

Filing of Non-Required Document

Assignment of Overriding Royalty Interest in Oil and Gas Lease

Mississippi Canyon 795 OCS-G 35984

Claiborne Extension

Ladies and Gentlemen:

Enclosed please find two (2) originals each of the following:

Title of Documents:

Assignment of Overriding Royalty Interest in Oil and Gas Lease

**Identities of Parties to Documents:** 

Ridgewood Claiborne, LLC, ILX Prospect Claiborne, LLC, Red Willow Offshore, LLC, CL&F Offshore LLC, LLOG Exploration Offshore, L.L.C., and Beacon Offshore Energy Operating LLC, as Assignors and TGS-NOPEC Geophysical Company, as Assignee

**Leases Affected:** 

OCS-G 35984

Category to be Filed:

5 = Overriding Royalty, Production Payment, Net Profit

Service Fees:

Pay.gov receipt for \$29.00

Once this document has been filed as requested, I would appreciate your stamping and returning an original to my attention in the self-addressed and stamped envelope.

Please contact me if you should have any questions or need any additional information. My direct phone is 713.586.5746 or email salford@houstonenergyinc.com.

Sincerely,

HOUSTON ENERGY, L.P.

Sue A. Alford Land Coordinator

**Enclosures** 

#### ASSIGNMENT OF OVERRIDING ROYALTY INTEREST IN OIL AND GAS LEASE

Claiborne, East MC 795 OCS-G 35984

THE UNITED STATES OF AMERICA OUTER CONTINENTAL SHELF OFFSHORE LOUISIANA

§ KNOW ALL MEN BY THESE PRESENTS:

THAT, Ridgewood Claiborne, LLC, a Delaware limited liability company, whose address is 14 Philips Parkway, Montvale, New Jersey 07645, ILX Prospect Claiborne, LLC, a Delaware limited liability company, whose address is c/o Riverstone Holdings LLC, 712 Fifth Avenue, 36<sup>th</sup> Floor, New York, New York 10019, Red Willow Offshore, LLC, a Colorado limited liability company, whose address is 14933 Highway 172, Post Office Box 369, Ignacio, Colorado 81137, CL&F Offshore LLC, a Delaware limited liability company, whose address is 16945 Northchase Drive, 4 Greenspoint Place, Suite 1500, Houston, Texas, 77060-2153, and LLOG Exploration Offshore, L.L.C., a Louisiana limited liability company whose address is 1001 Ochsner Boulevard, Suite 100, Covington, Louisiana 70433, and Beacon Offshore Energy Operating LLC, a Delaware limited liability company, whose address is 500 Dallas Street, Suite 2800, Houston, Texas 77002, (all hereinafter referred to individually as an "Assignor" and jointly referred to as "Assignors") are the owners of one hundred percent (100%) record title interest in the oil and gas lease (hereinafter referred to as the "Lease").

Oil and Gas Lease of Submerged Lands bearing Serial number OCS-G 35984 dated effective July1, 2017, between the United States of America, as Lessor, Ridgewood Energy Corporation, LLOG Exploration Offshore, L.L.C., Red Willow Offshore, LLC, and CL&F Offshore LLC, as Lessees, described as all of Block 795, Mississippi Canyon, OCS Official Protraction Diagram, NH 16-10., containing approximately 5,760.00 acres.

WHEREAS, Assignors are the owners of an undivided one hundred percent (100%) record title interest in the lease and desire to assign unto **TGS-NOPEC Geophysical Company**, a Delaware Corporation, whose address is 10451 Clay Road, Houston, Texas 77043 (hereinafter referred to as "Assignee") a certain overriding royalty interest in the Lease.

NOW, THEREFORE, effective as of July 1, 2017, and for and in consideration of the mutual advantages and benefits accruing to the parties hereto and for One Thousand and No/100 Dollars (\$1,000), and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and further in consideration of the mutual covenants and conditions herein contained, each Assignor does hereby TRANSFER, CONVEY, SELL and ASSIGN unto Assignee its pro rata share of an overriding royalty interest in the Lease equal to 1.00% of 8/8ths (hereinafter referred to as the "Overriding Royalty").

The Overriding Royalty shall be due only with respect to oil, gas and other minerals produced, saved and marketed from or attributable to the Lease, it being understood that any oil, gas or other minerals utilized in the drilling, rework, producing or other operations on such Lease shall be specifically deducted from the gross production prior to calculating the volume for the Overriding Royalty. The Overriding Royalty shall be free and clear of any cost of drilling or production, but shall bear its proportionate share of all applicable taxes, including, but not limited to, severance or other similar taxes applicable to production. The value of such Overriding Royalty shall never be calculated, paid or

determined on a basis in excess of the gross proceeds of production after deduction of the foregoing and shall be computed and paid at the same time and in the same manner as royalties are computed and paid to the lessor under the terms of the applicable Lease; provided, however, notwithstanding the foregoing, the Overriding Royalty shall never be subject to, affected by, or diminished by any past, present or future rules or regulations promulgated by the Bureau of Ocean Energy Management ("BOEM") successor agency to the Minerals Management Service of the Department of Interior, or any other agency or authority having jurisdiction over the lands covered by a Lease, that provide for, or may provide for, relief, reduction or suspension of the lessor's royalty under a Lease. Assignor shall have the right to pool, unitize, communitize, form joint development areas, surrender, or permit to expire, the Lease without the necessity or joinder of the Assignee, or any subsequent holder of the Overriding Royalty and Assignor shall not be in any manner obligated to maintain, preserve or continue in effect the Lease in any manner whatsoever, or to drill or rework any well on the Lease or conduct any operation whatsoever thereunder. The Overriding Royalty shall be subject to proportionate reduction (i) on account of the failure of leasehold or mineral title for a Lease; (ii) in the event a Lease relates to less than the entirety of the minerals; or (iii) if Assignor's leasehold interest in a Lease relates to less than the entirety of the leasehold interest in such Lease, then the Overriding Royalty herein conveyed shall be proportionately reduced and shall be payable to Assignee in the proportion that Assignor's interest in a Lease bears to the entire interest of such Lease. If the Lease is pooled, combined into a joint development area, or unitized, then the Overriding Royalty shall be computed only on the proportionate part of production from any pooled, combined or unitized portion of such Lease which is included in such a pool, joint development area, or unit. Unless otherwise allocated by order of any regulatory body or other authority having jurisdiction, or agreement by Assignor, the amount of production to be allocated to each pool, joint development area, or unit shall be that proportion of the total production that the surface area of the Lease included within such pool, joint development area, or unit bears to the total surface area of all the lands contained within such pool, joint development area, or unit. Notwithstanding anything to the contrary herein, without the prior written consent of Assignee, under no circumstances shall proportionate reduction as provided for above serve to reduce the Overriding Royalty to less than one-half percent of eight-eights (0.5% of 8/8ths).

This Assignment arises under and is delivered pursuant to that certain Master License Agreement dated effective July 17, 2002 and that certain Supplement Number 16 Agreement dated September 18, 2012 by and between Houston Energy, L.P. and TGS-NOPEC Geophysical Company.

Subject to the matters set forth herein, each Assignor, to the extent of its interest conveyed hereunder, hereby agrees to warrant and forever defend title to the Overriding Royalty against the claims and demands of every person whomsoever claiming, or to claim, the same or any part thereof, by, through or under Assignor, but not otherwise. All payment and performance obligations of each Assignor owed to Assignee pursuant to this Assignment to pay its proportionate share of the Overriding Royalty shall be several and not joint, it being the intention of the parties to this Assignment that nothing herein shall be construed as creating any joint and several liabilities or solidary obligations of the Assignors with respect to any such payment and performance obligations.

This Assignment may be executed in any number of counterparts, each of which shall be valid and binding with respect to the signatories thereto and their interest in the property sold and conveyed hereby, but only upon execution by all signatories of this Assignment or a counterpart hereof.

This Assignment shall inure to the benefit of and be binding upon the successors, representatives, and assigns of the parties hereto.

IN WITNESS WHEREOF, this Assignment is executed by the undersigned, duly authorized representatives of the parties hereto as of the dates set forth in the respective signature blocks below.

WITNESSES:	ASSIGNORS:
WITNESSES:	Ridgewood Claiborne, LLC (#3318)
Ed Rielly (Printed Name of Witness)	W. Greg Tabor/ Executive Vice President
Ann Hebert (Printed Name of Witness)	Date: 8-15-2018
WITNESSES:	ILX Prospect Claiborne, LLC (#3307)
Ed Rielly (Printed Name of Witness)  Ran Julier	Fritz L. Spencer, III Director
Ann Hebert (Printed Name of Witness)	Date: 8 115 2018
WITNESSES:	Red Willow Offshore, LLC (#2668)
(Printed Name of Witness)	Richard L. Smith Executive Vice President - Offshore
(Printed Name of Witness)	Date:
WITNESSES:	CL&F Offshore LLC (#3394)
(Printed Name of Witness)	R. Paul Loveless President & CEO
	Date:

(Printed Name of Witness)

IN WITNESS WHEREOF, this Assignment is executed by the undersigned, duly authorized representatives of the parties hereto as of the dates set forth in the respective signature blocks below.

WITNESSES:	ASSIGNORS:
WITNESSES:	Ridgewood Claiborne, LLC (#3318)
(Printed Name of Witness)	W. Greg Tabor Executive Vice President
(Printed Name of Witness)	Date:
WITNESSES:	ILX Prospect Claiborne, LLC (#3307)
(Printed Name of Witness)	Fritz L. Spencer, III Director
(Printed Name of Witness)	Date:
WITNESSES:	Red Willow Offshore, LLC (#2668)
Rex Richardson(Printed Name of Witness)	Richard L. Smith Executive Vice President - Offshore
Dan Greaser(Printed Name of Witness)	Date: <u>8/9/18</u>
WITNESSES:	CL&F Offshore LLC (#3394)
(Printed Name of Witness)	R. Paul Loveless President & CEO
(Printed Name of Witness)	Date:

IN WITNESS WHEREOF, this Assignment is executed by the undersigned, duly authorized representatives of the parties hereto as of the dates set forth in the respective signature blocks below.

WITNESSES:	ASSIGNORS:
WITNESSES:	Ridgewood Claiborne, LLC (#3318)
(Printed Name of Witness)	W. Greg Tabor Executive Vice President
(Printed Name of Witness)	Date:
WITNESSES:	ILX Prospect Claiborne, LLC (#3307)
(Printed Name of Witness)	Fritz L. Spencer, III Director
(Printed Name of Witness)	Date:
WITNESSES:	Red Willow Offshore, LLC (#2668)
(Printed Name of Witness)	Richard L. Smith Executive Vice President - Offshore
(Printed Name of Witness)	Date:
WITNESSES:  Jammy Willis  (Printed Name of Witness)	CL&F Offshore LLC (#3394)  R. Paul Loveless President & CEO
Allison Johnson (Printed Name of Witness)	Date:

WITNESSES:	ASSIGNORS:
Printed Name of Witness)  Jerson Elmore (Printed Name of Witness)	LLOG Exploration Offshore, L.L.C. (#2058)  Kemberlia Ducote Secretary  Date: 10/24/2018
WITNESSES:	
	Beacon Offshore Energy Intermediate Holdings LLC, Managing Member of Beacon Offshore Energy Operating LLC (#3410)
(Printed Name of Witness)	Marc Hensel  Managing Director and Chief Financial Officer
(Printed Name of Witness)	Date:
WITNESSES:	ASSIGNEE:
	TGS-NOPEC Geophysical Company
(Printed Name of Witness)	Linda Santiago Director of Sales, NSA

(Printed Name of Witness)

Date:

WITNESSES:	ASSIGNORS:		
	LLOG Exploration Offshore, L.L.C. (#2058)		
(Printed Name of Witness)	Kemberlia Ducote Secretary		
(Printed Name of Witness)	Date:		
WITNESSES:			
	Beacon Offshore Energy Intermediate Holdings LLC, Managing Member of Beacon Offshore Energy Operating LLC (#3410)		
Brender Ling (Printed Name of Witness)	Marc Hensel Managing Director and Chief Financial Officer		
Zachary Larson (Printed Name of Witness)	Date: 10/3//18		
WITNESSES:	ASSIGNEE:		
	TGS-NOPEC Geophysical Company		
(Printed Name of Witness)	Linda Santiago Director of Sales, NSA		
(District Allers of Miles	Date:		

(Printed Name of Witness)

WITNESSES:	ASSIGNORS:
	LLOG Exploration Offshore, L.L.C. (#2058)
(Printed Name of Witness)	Kemberlia Ducote Secretary
(Printed Name of Witness)	Date:
WITNESSES:	
	Beacon Offshore Energy Intermediate Holdings LLC, Managing Member of Beacon Offshore Energy Operating LLC (#3410)
(Printed Name of Witness)	Marc Hensel  Managing Director and Chief Financial Officer
(Printed Name of Witness)	Date:
WITNESSES:	ASSIGNEE:
Gena C Blover (Printed Name of Witness)	Linda Sandiago Director of Sales, NSA
Unthey S	byector sales, 195
WHITNEY GATON (Printed Name of Witness)	Date: 15 August 2018

COUNTY OF HARRIS	9 §			
BEFORE ME, the under to me to be the person whose no of Ridgewood Claiborne, LLC, executed the same for and of expressed, and in the capacity to	ame is subscribed to the a Delaware limited lia n behalf of said comp	bility company and acknow	recutive Vice President relationships with the vice President vice	
GIVEN under my hand	and seal of office this <u></u>	5 day of August Notary Public - State of Te	, 2018.	
STATE OF TEXAS COUNTY OF HARRIS	§ § §	NOTARY ID 12	ATE OF TEXAS 3-05-2019	
<b>BEFORE ME</b> , the undersigned authority, on this day personally appeared <b>Fritz L. Spencer, III</b> , known to me to be the person whose name is subscribed to the foregoing instrument as Director of ILX Prospect Claiborne, LLC a Delaware limited liability company and acknowledged to me that he executed the same for and on behalf of said company, for the purposes and consideration therein expressed, and in the capacity therein stated.				
GIVEN under my hand a	and seal of office this <u>/</u>	S day of August Notary Public - State of Te		
STATE OF TEXAS COUNTY OF HARRIS	§ § §	LEAH BRAML NOTARY PUBLIC-STAT COMM. EXP. 03-0 NOTARY ID 126	05-2019	
<b>BEFORE ME</b> , the undersigned authority, on this day personally appeared <b>Richard L. Smith</b> , known to me to be the person whose name is subscribed to the foregoing instrument as Executive Vice President - Offshore of Red Willow Offshore, LLC, a Colorado limited liability company, and acknowledged to me that he executed the same for and on behalf of said company, for the purposes and consideration therein expressed, and in the capacity therein stated.				
GIVEN under my hand a	and seal of office this	day of	, 2018.	
		Notary Public - State of Tex	xas	

STATE OF TEXAS	§ §		
COUNTY OF HARRIS	§		
BEFORE ME, the unde to me to be the person whose n of Ridgewood Claiborne, LLC, executed the same for and o expressed, and in the capacity t	ame is subscribed to the a Delaware limited liab in behalf of said compa	oility company and acknowl	ecutive Vice President edged to me that he
GIVEN under my hand	and seal of office this	day of	, 2018.
		Notary Public - State of Tex	kas
STATE OF TEXAS COUNTY OF HARRIS	9 9		
BEFORE ME, the under known to me to be the person Prospect Claiborne, LLC a Dela the same for and on behalf of se the capacity therein stated.	whose name is subscrib aware limited liability con	npany and acknowledged to	ent as Director of ILX me that he executed
GIVEN under my hand	and seal of office this	day of	, 2018.
		Notary Public - State of Tex	xas
STATE OF TEXAS COUNTY OF HARRIS	§ §		
BEFORE ME, the und known to me to be the person President - Offshore of Red Wil to me that he executed the sar therein expressed, and in the ca	whose name is subscrib llow Offshore, LLC, a Col me for and on behalf of s	lorado limited liability compa	ent as Executive Vice ny, and acknowledged
GIVEN under my hand	ASHLEY M LAPEROUSE Notary ID # 130885247 My Commission Expires November 1, 2020	Addust Avox VST Addust M. A Notary Public - State of Te	, 2018. , 2018. xas

STATE OF TEXAS	§ §		
COUNTY OF HARRIS	8		
BEFORE ME, the und known to me to be the person w of CL&F Offshore LLC, a Delaw same for and on behalf of said of capacity therein stated.	whose name is subscribe vare limited liability compa	any and acknowledged to me t	as President & CEC hat he executed the
REGIN Notary Publi My Comn	NA ARDITO Ic., State of Texas Inission Expires Iry 31, 2019	Hovember  Chia Udifo  Notary Public - State of Texas	, 2018. S
STATE OF LOUISIANA PARISH OF ST. TAMMANY	§ § §		
BEFORE ME, the under known to me to be the person LLOG Exploration Offshore, L she executed the same for and expressed, and in the capacity the	whose name is subscr <b>L.C.</b> , a Louisiana limited on behalf of said com	ed liability company and ackno	ent as Secretary of wledged to me that
GIVEN under my hand a	and seal of office this	_ day of	_, 2018.
		Notary Public - State of Louis	iana
STATE OF TEXAS	9 9		
COUNTY OF HARRIS	8		
BEFORE ME, the under me to be the person whose na Chief Financial Officer of Beach Beacon Offshore Energy Opera behalf of said company, for the stated.	ame is subscribed to the con Offshore Energy In ting LLC, and acknowled	termediate Holdings LLC, Madged to me that he executed t	naging Director and anaging Member of he same for and on
GIVEN under my hand a	and seal of office this	_ day of	, 2018.
		Notary Public - State of Texas	S

STATE OF TEXAS	§ §			
COUNTY OF HARRIS	§			
BEFORE ME, the und known to me to be the person of CL&F Offshore LLC, a Delaw same for and on behalf of said capacity therein stated.	vare limited liability comp	ed to the fo	regoing instrument cknowledged to me	it as President & CEO that he executed the
GIVEN under my hand	and seal of office this	_ day of _		, 2018.
		Notary P	ublic - State of Tex	kas
STATE OF LOUISIANA PARISH OF ST. TAMMANY	9 9			•
BEFORE ME, the uncommon to me to be the person LLOG Exploration Offshore, she executed the same for an expressed, and in the capacity	<b>L.L.C.</b> , a Louisiana limited on behalf of said con	ribed to the	e foregoing instru company and ack	ment as Secretary of nowledged to me that
GIVEN under my hand	and seal of office this $2$	1 day of _	October Visto Par	, 2018. . <i>(</i> )
Notary My (	Judy Reimel  Public - St. Tammany Parish Commission Issued for Life Notary No. 60007	Notary R	ublic - State of Lou	<u>JU</u> uisiana
STATE OF TEXAS	§			
COUNTY OF HARRIS	69 69			
me to be the person whose no Chief Financial Officer of Bea Beacon Offshore Energy Operabehalf of said company, for the stated.	acon Offshore Energy I ating LLC, and acknowle	e foregoin ntermediat edged to m	g instrument as Me Holdings LLC, le that he executed	Managing Director and Managing Member o d the same for and or
<b>GIVEN</b> under my hand	and seal of office this _	day of _		, 2018.
		Notary P	ublic - State of Te	 xas

§

COUNTY OF HARRIS §			
<b>BEFORE ME</b> , the undersign known to me to be the person whos of CL&F Offshore LLC, a Delaware same for and on behalf of said compacity therein stated.	e name is subscribe limited liability compa	any and acknowledged to me	at as President & CEO e that he executed the
GIVEN under my hand and	seal of office this	_ day of	, 2018.
		Notary Public - State of Tex	as
STATE OF LOUISIANA §  PARISH OF ST. TAMMANY §			
known to me to be the person whe LLOG Exploration Offshore, L.L.C she executed the same for and on expressed, and in the capacity there	ose name is subscr C., a Louisiana limite behalf of said com	ed liability company and ack	ment as Secretary of nowledged to me that
GIVEN under my hand and	seal of office this	_ day of	, 2018.
		Notary Public - State of Lou	iisiana
STATE OF TEXAS §  COUNTY OF HARRIS §			
BEFORE ME, the undersigned to be the person whose name Chief Financial Officer of Beacon Beacon Offshore Energy Operating behalf of said company, for the purp stated.	is subscribed to the Offshore Energy In LLC, and acknowled	itermediate Holdings LLC, Midged to me that he executed	lanaging Director and Managing Member of d the same for and on
Notary I My Comi	seal of office this 3	Notary Public - State of Tex	, 2018. kas

STATE OF TEXAS

**COUNTY OF HARRIS** 

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**BEFORE ME**, the undersigned authority, on this day personally appeared **Linda Santiago**, known to me to be the person whose name is subscribed to the foregoing instrument as Director of Sales, NSA of TGS-NOPEC Geophysical Company, and acknowledged to me that she executed the same for and on behalf of said company, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN under my hand and seal of office this day of

ANESSA L. WHITLEY Notary Public, State of Texas Comm. Expires 11-14-2019 Notary ID 124746613

, 2018.