



Exploration Offshore, L.L.C.

RECEIVED  
ADJUDICATION SECTION  
OCT 30 2020

October 30, 2020

**VIA EMAIL**

Bureau of Ocean Energy Management  
Gulf of Mexico OCS Region  
1201 Elmwood Park Blvd., MS WS 231A  
New Orleans, Louisiana 70123-2394

**ATTN: Adjudication Unit**

**RE: Memorandum of Unit Operating Agreement and Financing Statement  
OCS-G 35295 (EW 877) and OCS-G 36704 (EW 921)  
EW 877/921 (Spruance) Prospect**

Ladies and Gentlemen:

Attached please find two (2) copies of the following document:

**Title of Document:** Memorandum of Unit Operating Agreement and Financing Statement

**Identities of Parties to the Document:** By and between LLOG Exploration Offshore, L.L.C., LLOG Bluewater Holdings, L.L.C., Houston Energy, L.P., HE&D Offshore, L.P., Red Willow Offshore, LLC, EnVen Energy Ventures, LLC, Houston Energy Deepwater Partners Spruance, LLC, and CL&F Offshore LLC

**Lease Affected:** OCS-G 35295 (EW 877) and OCS-G 36704 (EW 921)

**Category to be Filed:** 3 = UCC Filings and Financial Statement

**Service Fees:** pay.gov receipt in payment of the fee incurred by this request is enclosed

Please place 1 copy of the Memorandum of Operating Agreement and Financing Statement in each affected lease file and return one (1) BOEM stamped copy to me via email. In the meantime, please do not hesitate to contact me should you have any questions at (985) 801-4353 or [aprilp@llog.com](mailto:aprilp@llog.com).

Yours very truly,

**LLOG Exploration Offshore, L.L.C.**

  
April O. Pertuit  
Land Specialist

Attachment

1001 OCHSNER BOULEVARD, SUITE 100  
COVINGTON, LA 70433  
PHONE: (985) 801-4300 FAX: (985) 801-4798

Jon A. Gegenheimer  
JEFFERSON PARISH CLERK OF COURT



RECEIVED  
ADJUDICATION SECTION  
OCT 30 2020

**Mortgage & Conveyance Office**

P.O. Box 10  
Gretna LA 70054-0010  
Ph.: (504) 364-2943 or (504) 364-2944 FAX: (504) 364-2942  
[www.jpclerkofcourt.us](http://www.jpclerkofcourt.us)

**NOTICE OF RECORDATION**

INSTRUMENT NO 12045205  
TYPE OF ACT AGREEMENT CB  
DATE 09/17/2020

ADDITIONAL INFORMATION

PARTIES  
LLOG EXPLORATION OFFSHORE LLC TO

PROPERTY

SEE

CONVEYANCE	BOOK 3442	FOLIO 751
MORTGAGE	BOOK 4895	FOLIO 627

I HEREBY CERTIFY THAT THIS ACT HAS BEEN FILED WITH THIS OFFICE AND RECORDED AS SET FORTH ABOVE.

  
CLERK OF COURT

INQUIRIES? CALL:  
General Information - (504) 364-2943 or 2944

12045205

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LAND DEPT.

SEP 28 2020

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LLOG EXPLORATION  
1001 OCHSNER BLVD STE 100  
COVINGTON LA 70433

# Lafourche Parish Recording Page

Annette M. Fontana  
CLERK OF COURT  
PO BOX 818  
303 W 3rd St  
Thibodaux, LA 70302  
(985) 447-4841

RECEIVED  
ADJUDICATION SECTION  
OCT 30 2020

## First VENDOR

LLOG EXPLORATION OFFSHORE L L C

## First VENDEE

LLOG EXPLORATION OFFSHORE L L C

Index Type : CONVEYANCE

Inst Number : 1301308

Type of Document : MEMORANDUM

Book : 2175 Page : 854

Recording Pages : 20

## Recorded Information

I hereby certify that the attached document was filed for registry and recorded in the Clerk of Court's office for Lafourche Parish, Louisiana.

On (Recorded Date) : 08/26/2020

At (Recorded Time) : 2:10:16PM

Certified On : 08/26/2020



Doc ID - 033559880020

CLERK OF COURT  
ANNETTE M. FONTANA  
Parish of Lafourche

I certify that this is a true copy of the attached document that was filed for registry and Recorded 08/26/2020 at 2:10:16  
Recorded in Book 2175 Page 854  
File Number 1301308

*Breanne M. Carole*  
Deputy Clerk

## Additional Index Recordings

<u>Index Type</u>	<u>Book</u>	<u>Page</u>	<u>Inst Number</u>
MTG	2067	720	1301308

FILED AND RECORDED, JEFFERSON PARISH, LOUISIANA  
10/30/2020 11:17:41 AM  
BY A. STEPHEN FIMMER, CLERK OF COURT & RECORDED  
CERTIFIED TRUE COPY  
*Amundson*  
CLERK OF COURT & RECORDED  
BOOK 2175 PAGE 854  
BOOK 2067 PAGE 720

Plaquemines Parish Recording Page

Kim Turlich-Vaughan  
Clerk of Court  
PO Box 40  
Belle Chasse, LA 70037  
(504) 934-6610

RECEIVED  
ADJUDICATION SECTION  
OCT 30 2020

Received From :

Attn: RACHAEL LEPERE  
LLOG EXPLORATION CO. L.L.C.  
1001 OCHSNER BLVD.  
SUITE 100  
COVINGTON, LA 70433

First VENDOR

LLOG EXPLORATION OFFSHORE LLC

First VENDEE

LLOG BLUEWATER HOLDINGS LLC

Index Type : CONVEYANCE

File Number : 2019-00003456

Type of Document : MEMORANDUM

Book : 1417 Page : 195

Recording Pages : 19

Recorded Information

I hereby certify that the attached document was filed for registry and recorded in the Clerk of Court's office for Plaquemines Parish, Louisiana.

On (Recorded Date) : 10/18/2019

At (Recorded Time) : 3:04:49PM



Doc ID - 005253660019

CLERK OF COURT  
KIM TURLICH-VAUGHAN  
Parish of Plaquemines  
I certify that this is a true copy of the attached  
document that was filed for registry and  
Recorded 10/18/2019 at 3:04:49  
Recorded in Book 1417 Page 195  
File Number 2019-00003456



Deputy Clerk

Additional Index Recordings

Index Type	Book	Page	File #
MTG	755	720	2019-00003456

Return To : Attn: RACHAEL LEPERE

**MEMORANDUM OF UNIT OPERATING AGREEMENT  
AND FINANCING STATEMENT COVERING  
EWING BANK 877/921**

- 1.0 This Memorandum of Unit Operating Agreement and Financing Statement (hereinafter called "Memorandum") is entered into by the undersigned Parties (each of which is hereinafter called "Party" and all of which are hereinafter called "Parties") effective as of the effective date of the Unit Operating Agreement referred to in Paragraph 2.0 below.
- 2.0 The Parties have entered into that certain Unit Operating Agreement effective May 1, 2019, (hereinafter called " Unit Operating Agreement") to explore, develop, and operate the lands and lease(s) described in Attachment "1" hereto (hereinafter called "Lands and Lease(s)") and to produce oil and gas (including condensate and liquefiable substances entrained in the gas stream) therefrom and have designated the Party identified in Attachment "1" as Unit Operator to conduct such operations for itself and on behalf of the rest of Parties hereto as Non-Unit Operators, as set forth in Attachment "1".
- 3.0 The Unit Operating Agreement provides for certain liens, mortgages, pledges and security interests. The Unit Operating Agreement contains an accounting procedure, along with other provisions, which provide for the payment of interest on past-due amounts and supplements the lien, mortgage, and security interest provisions, and also includes non-consent clauses which provide that Parties who elect not to participate in certain operations shall be deemed to have relinquished their interest in production until the carrying consenting Parties are able to recover their costs of such operation plus a specified amount. Should any person or entity desire additional information regarding the Unit Operating Agreement or wish to inspect a copy of the Unit Operating Agreement, that person or entity should contact the Unit Operator.
- 4.0 The purpose of this Memorandum is to more fully describe certain restrictions on the parties interests in the lands and Unit Leases described in Attachment "1" and to more fully describe the liens, mortgages, pledges and security interests provided for in the Unit Operating Agreement, and to place third parties on notice thereof, and to restate, grant and convey the same to the extent required to perfect the same fully in accordance with applicable state law.
- 5.0 The pertinent provisions of Unit Operating Agreement Exhibit "F" regarding security rights are set forth below:

**Security Rights.**

a. Security Rights - Properties Located Offshore Adjacent to the State of Louisiana. In addition to any other security rights and remedies provided by law with respect to ~~services rendered~~ or materials and equipment furnished under the Unit Operating Agreement, for and in consideration of the covenants and mutual undertakings of the Unit Operator and the Non-Operating Parties herein, the Parties shall have the following security rights:

(i) Mortgage in Favor of the Unit Operator. Each Non-Operating Party hereby grants to the Unit Operator a mortgage, hypothecate, and pledge of and over all of its rights, titles, and interests in and to (a) the Unit Leases, (b) the oil and gas in, on,

under, and that may be produced from the lands within the Unit Area; and (c) all other immovable property susceptible of mortgage situated within the Unit Area.

This mortgage is given to secure the complete and timely performance of and payment by each Non-Operating Party of all obligations and indebtedness of every kind and nature, whether now owed by such Non-Operating Party or hereafter arising, pursuant to the Unit Operating Agreement. To the extent susceptible under applicable law, this mortgage and the security interests granted in favor of the Unit Operator herein shall secure the payment of all Costs (as defined in the Unit Operating Agreement) and other expenses properly charged to such Party, together with (A) interest on such indebtedness, Costs, and other expenses at the rate set forth in Exhibit "C" to the Unit Operating Agreement or the maximum rate allowed by law, whichever is the lesser, (B) reasonable attorneys' fees, (C) court costs, and (D) other directly related collection costs. If any Non-Operating Party does not pay such Costs and other expenses or perform its obligations under the Unit Operating Agreement when due, the Unit Operator shall have the additional right to notify the purchaser or purchasers of the defaulting Non-Operating Party's Hydrocarbon (as defined in the Unit Operating Agreement) production and collect such Costs and other expenses out of the proceeds from the sale of the defaulting Non-Operating Party's share of Hydrocarbon production until the amount owed has been paid. The Unit Operator shall have the right to offset the amount owed against the proceeds from the sale of such defaulting Non-Operating Party's share of Hydrocarbon production. Any purchaser of such production shall be entitled to rely on the Unit Operator's statement concerning the amount of Costs and other expenses owed by the defaulting Non-Operating Party and payment made to the Unit Operator by any purchaser shall be binding and conclusive as between such purchaser and such defaulting Non-Operating Party.

The maximum amount for which the mortgage herein granted by each Non-Operating Party shall be deemed to secure the obligations and indebtedness of such Non-Operating Party to the Unit Operator as stipulated herein is hereby fixed in an amount equal to \$250,000,000.00 (the "Limit of the Mortgage of each Non-Operating Party"). Except as provided in the previous sentence (and then only to the extent such limitations are required by law), the entire amount of obligations and indebtedness of each Non-Operating Party to the Unit Operator is secured hereby without limitation. Notwithstanding the foregoing Limit of the Mortgage of each Non-Operating Party, the liability of each Non-Operating Party under the Unit Operating Agreement and the mortgage and security interest granted hereby shall be limited to (and the Unit Operator shall not be entitled to enforce the same against such Non-Operating Party for, an amount exceeding) the actual obligations and indebtedness (including all interest charges, costs, attorneys' fees, and other charges provided for in the Unit Operating Agreement outstanding and unpaid and that are attributable to or charged against the interest of such Non-Operating Party pursuant to the Unit Operating Agreement.

(ii) Security Interest in Favor of the Unit Operator. To secure the complete and timely performance of and payment by each Non-Operating Party of all obligations and indebtedness of every kind and nature, whether now owed by such Non-Operating Party or hereafter arising, pursuant to the Unit Operating Agreement, each Non-Operating Party hereby grants to the Unit Operator a continuing security interest in and to all of its rights, titles, interests, claims, general intangibles, proceeds, and products thereof, whether now existing or hereafter acquired, in and to (a) all oil and gas

produced from the lands or offshore blocks covered by the Unit Leases or the Unit Area or attributable to the Unit Leases or the Unit Area when produced, (b) all accounts receivable accruing or arising as a result of the sale of such oil and gas (including, without limitation, accounts arising from gas imbalances or from the sale of oil and gas at the wellhead), (c) all cash or other proceeds from the sale of such oil and gas once produced, and (d) all Development Systems, wells, facilities, fixtures, other corporeal property, whether movable or immovable, whether now or hereafter placed on the lands or offshore blocks covered by the Unit Leases or the Unit Area or maintained or used in connection with the ownership, use or exploitation of the Unit Leases or the Unit Area, and other surface and sub-surface equipment of any kind or character located on or attributable to the Unit Leases or the Unit Area and the cash or other proceeds realized from the sale, transfer, disposition or conversion thereof. The interest of the Non-Operating Parties in and to the oil and gas produced from or attributable to the Unit Leases or the Unit Area when extracted and the accounts receivable accruing or arising as the result of the sale thereof shall be financed at the wellhead of the well or wells located on the Unit Leases or the Unit Area. To the extent susceptible under applicable law, the security interest granted by each Non-Operating Party hereunder covers: (A) all substitutions, replacements, and accessions to the property of such Non-Operating Party described herein and is intended to cover all of the rights, titles and interests of such Non-Operating Party in all movable property now or hereafter located upon or used in connection with the Unit Area, whether corporeal or incorporeal; (B) all rights under any gas balancing agreement, farmout rights, option farmout rights, acreage and cash contributions, and conversion rights of such Non-Operating Party in connection with the Unit Leases or the Unit Area, or the oil and gas produced from or attributable to the Unit Leases or the Unit Area, whether now owned and existing or hereafter acquired or arising, including, without limitation, all interests of each Non-Operating Party in any partnership, tax partnership, limited partnership, association, joint venture, or other entity or enterprise that holds, owns, or controls any interest in the Unit Area; and (C) all rights, claims, general intangibles, and proceeds, whether now existing or hereafter acquired, of each Non-Operating Party in and to the Units, agreements, permits, licenses, rights-of-way, and similar rights and privileges that relate to or are appurtenant to the Unit Leases or the Unit Area, including the following:

(1) all of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in, to, and under or derived from any present or future operating, farmout, bidding, pooling, unitization, and communitization agreements, assignments, and sub Unit Leases, whether or not described in Exhibit "A" to the Unit Operating Agreement," to the extent, and only to the extent, that such agreements, assignments, and sub Unit Leases cover or include any of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in and to all or any portion of the Unit Leases or the Unit Area, and all units created by any such pooling, unitization, and communitization agreements and all units formed under orders, regulations, rules, or other official acts of any governmental authority having jurisdiction, to the extent and only to the extent that such units cover or include all or any portion of the Unit Leases or the Unit Area;

(2) all of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in, to, and under or derived from all presently existing and future advance payment agreements, and oil, casinghead gas, and gas sales, exchange, and processing contracts and agreements, including, without limitation, those contracts

and agreements that are described on Exhibit "A" to the Unit Operating Agreement to the extent, and only to the extent, those contracts and agreements cover or include all or any portion of the Unit Leases or the Unit Area; and

(3) all of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in, to, and under or derived from all existing and future permits, licenses, rights-of-way, and similar rights and privileges that relate to or are appurtenant to the Unit Leases or the Unit Area.

(iii) Mortgage in Favor of the Non-Operating Parties. Unit Operator hereby grants to each Non-Operating Party a mortgage, hypothecate, and pledge of and over all of its rights, titles, and interests in and to (a) the Unit Leases; (b) the oil and gas in, on, under, and that may be produced from the lands within the Unit Area; and (c) all other immovable property or other property susceptible of mortgage situated within the Unit Area.

This mortgage is given to secure the complete and timely performance of and payment by the Unit Operator of all obligations and indebtedness of every kind and nature, whether now owed by the Unit Operator or hereafter arising, pursuant to the Unit Operating Agreement. To the extent susceptible under applicable law, this mortgage and the security interests granted in favor of each Non-Operating Party herein shall secure the payment of all Costs and other expenses properly charged to the Unit Operator, together with (A) interest on such indebtedness, Costs, and other expenses at the rate set forth in the Accounting Procedure or the maximum rate allowed by law, whichever is the lesser, (B) reasonable attorneys' fees, (C) court costs, and (D) other directly related collection costs. If the Unit Operator does not pay such Costs and other expenses or perform its obligations under the Unit Operating Agreement when due, the Non-Operating Parties shall have the additional right to notify the purchaser or purchasers of the Unit Operator's Hydrocarbon production and collect such Costs and other expenses out of the proceeds from the sale of the Unit Operator's share of Hydrocarbon production until the amount owed has been paid. The Non-Operating Parties shall have the right to offset the amount owed against the proceeds from the sale of the Unit Operator's share of Hydrocarbon production. Any purchaser of such production shall be entitled to rely on the Non-Operating Parties' statement concerning the amount of Costs and other expenses owed by the Unit Operator and payment made to the Non-Operating Parties by any purchaser shall be binding and conclusive as between such purchaser and the Unit Operator.

The maximum amount for which the mortgage herein granted by the Unit Operator shall be deemed to secure the obligations and indebtedness of the Unit Operator to all Non-Operating Parties as stipulated herein is hereby fixed in an amount equal to \$250,000,000.00 in the aggregate (the "Limit of the Mortgage of the Unit Operator"). Except as provided in the previous sentence (and then only to the extent such limitations are required by law), the entire amount of obligations and indebtedness of the Unit Operator to the Non-Operating Parties is secured hereby without limitation. Notwithstanding the foregoing Limit of the Mortgage of the Unit Operator, the liability of the Unit Operator under the Unit Operating Agreement and the mortgage and security interest granted hereby shall be limited to (and the Non-Operating Parties shall not be entitled to enforce the same against the Unit Operator for, an amount exceeding) the actual obligations and indebtedness (including all interest charges, costs, attorneys'



fees, and other charges provided for in the Unit Operating Agreement outstanding and unpaid and that are attributable to or charged against the interest of the Unit Operator pursuant to the Unit Operating Agreement.

(iv) Security Interest in Favor of the Non-Operating Parties. To secure the complete and timely performance of and payment by the Unit Operator of all obligations and indebtedness of every kind and nature, whether now owed by the Unit Operator or hereafter arising, pursuant to the Unit Operating Agreement, the Unit Operator hereby grants to each Non-Operating Party a continuing security interest in and to all of its rights, titles, interests, claims, general intangibles, proceeds, and products thereof, whether now existing or hereafter acquired, in and to (a) all oil and gas produced from the lands or offshore blocks covered by the Unit Leases or included within the Unit Area or attributable to the Unit Leases or the Unit Area when produced, (b) all accounts receivable accruing or arising as a result of the sale of such oil and gas (including, without limitation, accounts arising from gas imbalances or from the sale of oil and gas at the wellhead), (c) all cash or other proceeds from the sale of such oil and gas once produced, and (d) all Development Systems, wells, facilities, fixtures, other corporeal property whether movable or immovable, whether now or hereafter placed on the offshore blocks covered by the Unit Leases or the Unit Area or maintained or used in connection with the ownership, use or exploitation of the Unit Leases or the Unit Area, and other surface and sub-surface equipment of any kind or character located on or attributable to the Unit Leases or the Unit Area and the cash or other proceeds realized from the sale, transfer, disposition or conversion thereof. The interest of the Unit Operator in and to the oil and gas produced from or attributable to the Unit Leases when extracted and the accounts receivable accruing or arising as the result of the sale thereof shall be financed at the wellhead of the well or wells located on the Unit Leases or the Unit Area. To the extent susceptible under applicable law, the security interest granted by the Unit Operator hereunder covers: (A) all substitutions, replacements, and accessions to the property of the Unit Operator described herein and is intended to cover all of the rights, titles and interests of the Unit Operator in all movable property now or hereafter located upon or used in connection with the Unit Area, whether corporeal or incorporeal; (B) all rights under any gas balancing agreement, farmout rights, option farmout rights, acreage and cash contributions, and conversion rights of the Unit Operator in connection with the Unit Leases or the Unit Area, the oil and gas produced from or attributable to the Unit Leases or the Unit Area, whether now owned and existing or hereafter acquired or arising, including, without limitation, all interests of the Unit Operator in any partnership, tax partnership, limited partnership, association, joint venture, or other entity or enterprise that holds, owns, or controls any interest in the Unit Area; and (C) all rights, claims, general intangibles, and proceeds, whether now existing or hereafter acquired, of the Unit Operator in and to the contracts, agreements, permits, licenses, rights-of-way, and similar rights and privileges that relate to or are appurtenant to the Unit Leases or the Unit Area, including the following:

(1) all of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in, to, and under or derived from any present or future operating, farmout, bidding, pooling, unitization, and communitization agreements, assignments, and sub Unit Leases, whether or not described in Exhibit "A" to the Unit Operating Agreement to the extent, and only to the extent, that such agreements, assignments, and sub Unit Leases cover or include any of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in and to all or any

portion of the Unit Leases or the Unit Area, and all units created by any such pooling, unitization, and communitization agreements and all units formed under orders, regulations, rules, or other official acts of any governmental authority having jurisdiction, to the extent and only to the extent that such units cover or include all or any portion of the Unit Leases or the Unit Area;

(2) all of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in, to, and under or derived from all presently existing and future advance payment agreements, and oil, casinghead gas, and gas sales, exchange, and processing contracts and agreements, including, without limitation, those contracts and agreements that are described in Exhibit "A" to the Unit Operating Agreement to the extent, and only to the extent, those contracts and agreements cover or include all or any portion of the Unit Leases or the Unit Area; and

(3) all of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in, to, and under or derived from all existing and future permits, licenses, rights-of-way, and similar rights and privileges that relate to or are appurtenant to any of the Unit Leases or the Unit Area.

(v) Recordation. The Parties authorize the Unit Operator to file this Memorandum in the public records set forth below to serve as notice of the existence of the Unit Operating Agreement as a burden on the title of the Working Interest Owners in the Unit Leases or the Unit Area and for purposes of satisfying otherwise relevant recording and filing requirements of applicable law and to attach an original of this Memorandum to a standard UCC-1 for filing in the UCC records set forth below to perfect the security interests created by the Parties. This Memorandum shall be amended from time to time if ownership of the Unit Area changes, and the Parties shall, within five business days following request by one of the Parties hereto, execute and furnish to the requesting Party for recordation any such amendment.

This Memorandum is to be filed or recorded, as the case may be, in (a) the conveyance records of the parish or parishes adjacent to the lands or offshore blocks covered by the Unit Leases or contained within the Unit Area pursuant to La. R.S. 31:216 et seq., (b) the mortgage records of such parish or parishes, and (c) the appropriate Uniform Commercial Code records.

b. Unpaid Charges. In addition to any other remedy afforded by law, each Party shall have, and is hereby given and vested with, the power and authority to foreclose the lien, mortgage, pledge, and security interest established hereby in its favor in the manner provided by law, to exercise the power of sale provided for herein, if applicable, and to exercise all rights of a secured party under the Uniform Commercial Code as adopted by the state in which the Unit Area is located or such other states as such Party may deem appropriate. The Unit Operator shall keep an accurate account of amounts owed by the nonperforming Party (plus interest and collection costs) and any amounts collected with respect to amounts owed by the nonperforming Party. In the event there become three or more Working Interest Owners in a Lease, then if any nonperforming Party's share of Costs remains delinquent for a period of sixty (60) days, each other Participating Party shall, upon the Unit Operator's request, pay the unpaid amount of Costs in the proportion that its Working Interest bears to the total non-defaulting Working Interests. Each Participating Party paying its share of the unpaid

amounts of a nonperforming Party shall be subrogated to the Unit Operator's mortgage and security rights to the extent of the payment made by such Participating Party.

c. Carved-out Interests. Any agreements creating any overriding royalty, production payment, net proceeds interest, net profits interest, carried interest or any other interest carved out of a Working Interest in the Unit Leases or the Unit Area shall specifically make such interests inferior to the rights of the Parties to the Unit Operating Agreement. If any Party whose Working Interest is so encumbered does not pay its share of Costs and other expenses authorized under the Unit Operating Agreement, and the proceeds from the sale of its Hydrocarbon production pursuant to this Section 5.0 are insufficient to pay such Costs and expenses, the security rights provided for in this Section 5.0 may be applied against the carved-out interests with which the defaulting or non-performing Party's interest in the Unit Leases or the Unit Area is burdened. In such event, the rights of the owner of such carved-out interest shall be subordinated to the security rights granted by this Section 5.0.

- 6.0 Upon expiration of the Unit Operating Agreement and the satisfaction of all debts thereunder the Unit Operator shall file of record with respect to the Unit Operating Agreement and this Memorandum a release and termination on behalf of all Parties. If such release and termination is filed, all benefits and obligations under this Memorandum shall terminate as to all Parties with respect to the expiring Unit Operating Agreement. Unit Operator or any other Party shall have the right to file a continuation statement and/or reinscription notice on behalf of all Parties.
- 7.0 It is understood and agreed by the Parties hereto that if any part, term, or provision of this Memorandum is by the courts or an arbitrator held to be illegal or in conflict with any law of the state where made, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Memorandum did not contain the particular part, term or provision held to be invalid.
- 8.0 This Memorandum shall be binding upon and shall inure to the benefit of the Parties hereto and to their respective legal representatives, successors, and permitted assigns. The failure of one or more persons owning an interest in the Lands and Lease(s) to execute this Memorandum shall not in any manner affect the validity of the Memorandum as to those persons who have executed this Memorandum.
- 9.0 A person or entity having a working interest in the Lands and Lease(s) may ratify this Memorandum by execution and delivery of an instrument of ratification, adopting and entering into this Memorandum, and such ratification shall have the same effect as if the ratifying person or entity had executed this Memorandum or a counterpart thereof. By execution or ratification of this Memorandum, such Party hereby consents to its ratification and adoption by any person or entity who may have or may acquire any interest in the Unit Leases.
- 10.0 This Memorandum may be executed or ratified in one or more counterparts and all of the executed or ratified counterparts shall together constitute one instrument. For purposes of recording, only one copy of this Memorandum with individual signature pages attached thereto needs to be filed or any photocopy of this Memorandum as a financing statement under the Uniform Commercial Code.

- 11.0 To the extent this transaction is governed by Louisiana law, this instrument, when filed for registry, is intended to function as both a filed agreement under Louisiana Revised Statutes §31:216 and a declaration under Louisiana Revised Statutes §31:217, and/or successor statutes, and to create a conventional mortgage.
- 12.0 Capitalized and quotation-marked terms used herein not otherwise defined have the meanings assigned to them in the Unit Operating Agreement.

**SIGNATURE PAGES FOLLOW**

**WITNESSES:**

**LLOG EXPLORATION OFFSHORE, L.L.C.**

*April O. Pertuit*  
April O. Pertuit

By: *Kemberlia Ducote*  
**Kemberlia Ducote**  
**Secretary** *JG*

*Rachael LePere*  
Rachael LePere

Date: *10-14-19*

Address:  
1001 Ochsner Boulevard, Suite 100  
Covington, Louisiana 70433

**ACKNOWLEDGEMENT**

**STATE OF LOUISIANA**

**PARISH OF ST. TAMMANY**

On this *14th* day of *October*, 2019 before me, appeared **Kemberlia Ducote** to me personally known, who, being by me duly sworn, did say that she is the Secretary of **LLOG EXPLORATION OFFSHORE, L.L.C.**, a Louisiana limited liability company, and that the foregoing instrument was signed in behalf of that limited liability company and she acknowledged the instrument to be the free act and deed of that limited liability company.

*Judy Reinsel*  
**NOTARY PUBLIC**

**Judy Reinsel**  
**Notary Public - St. Tammany Parish**  
**My Commission Issued for Life**  
**Notary No. 60007**

My Commission is for life.

**WITNESSES:**

**LLOG BLUEWATER HOLDINGS, L.L.C.**

*April O. Pertuit*  
April O. Pertuit

By: *Kemberlia Ducote*  
**Kemberlia Ducote**  
**Secretary** *B*

*Rachael LePere*  
Rachael LePere

Date: 10-14-19

Address:  
1001 Ochsner Boulevard, Suite 100  
Covington, Louisiana 70433

**ACKNOWLEDGEMENT**

**STATE OF LOUISIANA**

**PARISH OF ST. TAMMANY**

On this 14<sup>th</sup> day of October, 2019 before me, appeared **Kemberlia Ducote** to me personally known, who, being by me duly sworn, did say that he is the Secretary of **LLOG BLUEWATER HOLDINGS, L.L.C.**, a Delaware limited liability company, and that the foregoing instrument was signed in behalf of that limited liability company and she acknowledged the instrument to be the free act and deed of that limited liability company.

*Judy Reimel*  
**NOTARY PUBLIC**

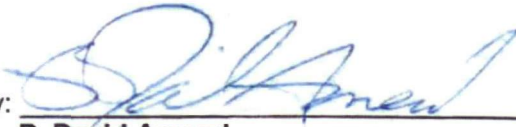
**Judy Reimel**  
**Notary Public - St. Tammany Parish**  
**My Commission Issued for Life**  
**Notary No. 60007**

My Commission is for life.


**WITNESSES:**

**HOUSTON ENERGY, L.P.**

  
Printed Name: Heath Suire

By:   
**P. David Amend**  
**Vice President, Land**

  
Printed Name: Silvia Norberg

Date: 10/14/2019 

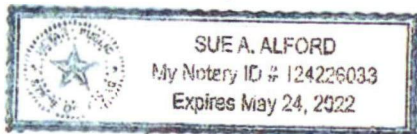
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Houston, Texas 77002

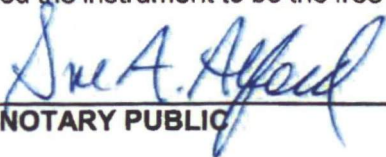
**ACKNOWLEDGEMENT**

**STATE OF TEXAS**

**COUNTY OF HARRIS**

On this 14th day of October, 2019 before me, appeared **P. David Amend** to me personally known, who, being by me duly sworn, did say that he is the Vice President, Land of **HOUSTON ENERGY, L.P.**, a Texas limited partnership, and that the foregoing instrument was signed in behalf of that limited partnership and he acknowledged the instrument to be the free act and deed of that limited partnership.



  
**NOTARY PUBLIC**

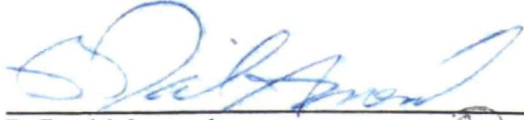
My Commission expires: 5/24/2022

**WITNESSES:**

**HE&D OFFSHORE, L.P.**




Printed Name: Heath Suire

By: 

P. David Amend  
Vice President, Land

AS



Printed Name: Silvia Norberg

Date: 10/14/2019

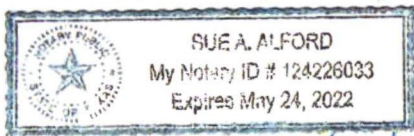
Address:  
1200 Smith, Suite 2400  
Houston, Texas 77002

**ACKNOWLEDGEMENT**

**STATE OF TEXAS**

**COUNTY OF HARRIS**

On this 14th day of October, 2019 before me, appeared **P. David Amend** to me personally known, who, being by me duly sworn, did say that he is the Vice President, Land of **HE&D OFFSHORE, L.P.**, a Texas limited partnership, and that the foregoing instrument was signed in behalf of that limited partnership and he acknowledged the instrument to be the free act and deed of that limited partnership.



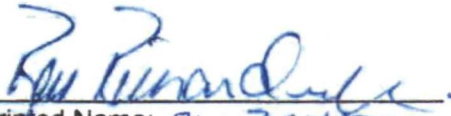
  
NOTARY PUBLIC


My Commission expires: 5/24/2022




**WITNESSES:**

**RED WILLOW OFFSHORE, LLC**

  
Printed Name: Rex Richardson

By:   
Richard L. Smith  
Executive Vice President - Offshore

  
Printed Name: Dan Greaser

Date: 10/15/2019

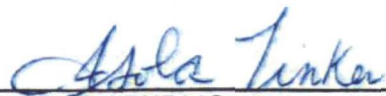
Address:  
1415 Louisiana Street, Suite 4000  
Houston, Texas 77002

**ACKNOWLEDGEMENT**

**STATE OF TEXAS**

**COUNTY OF HARRIS**

On this 15<sup>th</sup> day of October, 2019 before me, appeared **Richard L. Smith** to me personally known, who, being by me duly sworn, did say that he is the Executive Vice President - Offshore, of **RED WILLOW OFFSHORE, LLC**, a Colorado limited liability company, and that the foregoing instrument was signed in behalf of that limited liability company and he acknowledged the instrument to be the free act and deed of that limited liability company.

  
**NOTARY PUBLIC**

My Commission expires: 11/21/2022

**WITNESSES:**

**ENVEN ENERGY VENTURES, LLC**

Paige Galloway  
Printed Name: Paige Galloway

By: Nick B. Gibbens  
Nick B. Gibbens  
SVP – Land & Business Development

Erena C Hewitt  
Printed Name: Erena C Hewitt

Date: 10/14/19

Address:  
333 Clay Street, Suite 4200  
Houston, Texas 77002

**ACKNOWLEDGEMENT**

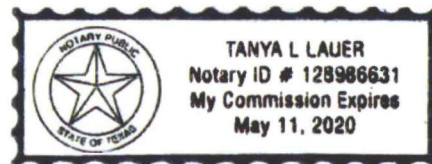
**STATE OF TEXAS**

**COUNTY OF HARRIS**

On this 14<sup>th</sup> day of October, 2019 before me, appeared **Nick B. Gibbens** to me personally known, who, being by me duly sworn, did say that he is the SVP – Land & Business Development, of **ENVEN ENERGY VENTURES, LLC**, a Louisiana limited liability company, and that the foregoing instrument was signed in behalf of that limited liability company and he acknowledged the instrument to be the free act and deed of that limited liability company.


Tanya L Lauer  
NOTARY PUBLIC

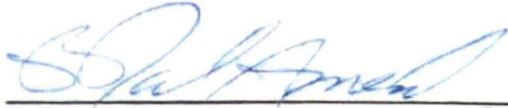
My Commission expires: May 11, 2020



**WITNESSES:**

**HOUSTON ENERGY DEEPWATER PARTNERS  
SPRUANCE, LLC**

  
\_\_\_\_\_  
Printed Name: Heath Suire

By:   
\_\_\_\_\_  
**P. David Amend**  
**Vice President, Land** HS

  
\_\_\_\_\_  
Printed Name: Silvia Norberg

Date: 10/14/2019

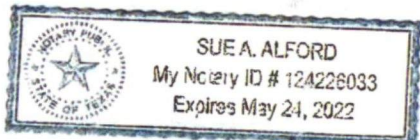
Address:  
1200 Smith, Suite 2400  
Houston, Texas 77002

**ACKNOWLEDGEMENT**

**STATE OF TEXAS**

**COUNTY OF HARRIS**

On this 14th day of October, 2019 before me, appeared **P. David Amend** to me personally known, who, being by me duly sworn, did say that he is the Sr. Executive Vice President of **HOUSTON ENERGY DEEPWATER PARTNERS SPRUANCE, LLC**, a Texas limited liability company, and that the foregoing instrument was signed in behalf of that limited liability company and he acknowledged the instrument to be the free act and deed of that limited liability company.



  
\_\_\_\_\_  
**NOTARY PUBLIC**

My Commission expires: 5/24/2022

**WITNESSES:**

**CL&F OFFSHORE LLC**

WITNESSES:

CL&F OFFSHORE LLC

Tammy Willis  
Printed Name: Tammy Willis

Cristea Balca  
Printed Name: CRISTEA  
BALCAR

By: R. Paul Loveless  
R. Paul Loveless  
President & CEO

Date: 10/14/19

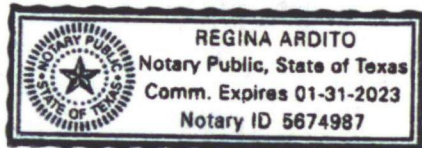
Address:  
16945 Northchase Drive, Suite 1500  
Houston, Texas 77060-2153

ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY OF HARRIS

On this 14th day of October, 2019 before me, appeared **R. Paul Loveless** to me personally known, who, being by me duly sworn, did say that he is the President & CEO, of **CL&F OFFSHORE LLC**, a Delaware limited liability company, and that the foregoing instrument was signed in behalf of that limited liability company and he acknowledged the instrument to be the free act and deed of that limited liability company.



Regina Ardito  
NOTARY PUBLIC

My Commission expires: 1-31-2023

ATTACHMENT "1"

ATTACHED TO AND MADE A PART OF THAT CERTAIN  
MEMORANDUM OF UNIT OPERATING AGREEMENT EFFECTIVE JUNE 1, 2019,  
BETWEEN LLOG EXPLORATION OFFSHORE, L.L.C., AS UNIT OPERATOR, AND  
LLOG BLUEWATER HOLDINGS, L.L.C., ET AL AS NON-OPERATORS

A. UNIT OPERATOR:

LLOG EXPLORATION OFFSHORE, L.L.C.

B. UNIT AREA

S/2 SE/4, S/2 N/2 SE/4, S/2 NE/4 SW/4, and SE/4 SW/4 of Ewing Bank 877; and the  
N/2 NE/4 and E/2 NE/4 NW/4 of Ewing Bank 921.

DESCRIPTION OF UNIT LEASE(S):

That certain Oil and Gas Lease of Submerged Lands under the Outer Continental Shelf Lands Act OCS-G 35295 dated July 1, 2014 between the United States of America, as Lessor, and LLOG Bluewater Holdings, L.L.C., as Lessee, covering all of Block 877, Ewing Bank, containing approximately 5,760.00 acres, more or less (the "EW 877 Lease").

That certain Oil and Gas Lease of Submerged Lands under the Outer Continental Shelf Lands Act OCS-G 36704 dated May 1, 1990 between the United States of America, as Lessor, and Shell Offshore Inc., as Lessee, covering the N/2N/2 of Block 921, Ewing Bank, containing 1440.00 acres, more or less (the "EW 921 Lease").

C. Parties, Designated Representatives and Addresses

LLOG Exploration Offshore, L.L.C.  
1001 Ochsner Blvd., Ste. 100  
Covington, LA 70433  
Houston, Texas 77079  
Attention: Mr. Michael Altobelli  
Phone: (281) 752-1105  
Fax: (281) 752-1190  
Email [mikea@llog.com](mailto:mikea@llog.com)

LLOG Bluewater Holdings, L.L.C.  
1001 Ochsner Blvd., Ste 100  
Covington, LA 70433  
Attention: Judy Reimel  
Phone: (985) 801-4300  
Fax: (985) 801-4796  
Email [judy@llog.com](mailto:judy@llog.com)

Houston Energy, L.P.  
Two Allen Center  
1200 Smith, Suite 2400  
Houston, TX 77002  
Attention: Heath Suire  
Phone: (713) 400-7770  
Fax: (713) 650-8305  
Email: [hsuire@houstonenergyinc.com](mailto:hsuire@houstonenergyinc.com)

EnVen Energy Ventures, LLC  
333 Clay Street, Suite 4200  
Houston, Texas 77002  
Attention: Mr. Nick Gibbens  
Direct (713) 335-7027  
Fax: (713) 335-7598  
Email: [ngibbens@enven.com](mailto:ngibbens@enven.com)

CL&F Offshore LLC  
16945 Northchase Drive, Suite 1500  
Houston, Texas 77060-2153  
Attention: Tammy Willis  
Direct (281) 873-3021  
Fax: (281) 281-872-4398  
Email: [twillis@clf-co.com](mailto:twillis@clf-co.com)

Red Willow Offshore, LLC  
1415 Louisiana St.  
Suite 4000  
Houston, Texas 77002  
Attention: Rex Richardson  
Phone: (281) 822-7509  
Fax: (281) 822-7501  
Email: [richard@rwpc.us](mailto:richard@rwpc.us)

HE&D Offshore, L.P.  
Two Allen Center  
1200 Smith, Suite 2400  
Houston, TX 77002  
Attention: Heath Suire  
Phone: (713) 400-7770  
Fax: (713) 650-8305  
Email: [hsuire@houstonenergyinc.com](mailto:hsuire@houstonenergyinc.com)

Houston Energy Deepwater  
Partners Spruance, LLC  
1200 Smith, Suite 2400  
Houston, TX 77002  
Attention: Heath Suire  
Phone: (713) 400-7770  
Fax: (713) 650-8305  
Email: [hsuire@houstonenergyinc.com](mailto:hsuire@houstonenergyinc.com)