



GIEGER, LABORDE & LAPEROUSE, L.L.C.

NEW ORLEANS

701 POYDRAS STREET, SUITE 4800
NEW ORLEANS, LOUISIANA 70139
PHONE: 504-561-0400
Fax: 504-561-1011

HOUSTON

5151 SAN FELIPE, SUITE 750
HOUSTON, TEXAS 77056
PHONE: 832-255-6000
Fax: 832-255-6001

BILOXI

770 WATER STREET, SUITE 504
BILOXI, MISSISSIPPI 39530
PHONE: 228-438-2905
Fax: 228-438-2906

September 3, 2021

Via Electronic Mail

United States Department of the Interior
Bureau of Ocean Energy Management
Gulf of Mexico OCS Region
1201 Elmwood Park Boulevard
New Orleans, Louisiana 70123-2394

Attention: Adjudication Unit

Re: Non-Required Filings

Dear Madam or Sir:

Enclosed herewith please find the following documents, which are to be recorded in the consecutive order set forth below:

1. Partial Release of Mortgage, dated effective as of August 25, 2021, Society Generale, as Security Agent, in favor of ShenHai, LLC, as Mortgagor (please record under **Category 2 – Release of Mortgages and Liens**);
2. Partial Release of Mortgage, dated effective as of August 25, 2021, Society Generale, as Security Agent, in favor of BOE II Shen LLC, as Mortgagor (please record under **Category 2 – Release of Mortgages and Liens**);
3. UCC3 Financing Statement Amendment, amending that certain Initial Filing Statement #51-94253 (please record in **Category 3 – UCC Filings and Financial Statements**);
4. UCC3 Financing Statement Amendment, amending that certain Initial Filing Statement #51-94252 (please record in **Category 3 – UCC Filings and Financial Statements**);

5. Conveyance, Assignment and Bill of Sale, dated August 1, 2021, by and between ShenHai, LLC, as Assignor, and Beacon Offshore Energy Development LLC, as Assignee (please record in **Category 7 - Contracts, Agreements, and Conveyances**);
6. Conveyance, Assignment and Bill of Sale, dated August 1, 2021, by and between BOE II Shen LLC, as Assignor, and BOE II Exploration LLC, as Assignee (please record in **Category 7 - Contracts, Agreements, and Conveyances**);
7. Amendment to Memorandum of Unit Operating Agreement and Financing Statement, dated August 25, 2021, by and between BOE Exploration & Production LLC, Beacon Offshore Energy Development LLC, Boe II Shen LLC, BOE II Exploration LLC, and ShenHai, (please record in **Category 1 – Mortgage, Deed of Trust, Security Agreement**);
8. UCC3 Financing Statement Amendment, amending that certain Initial Filing Statement #51-94208 (please record in **Category 3 – UCC Filings and Financial Statements**);
9. UCC3 Financing Statement Amendment, amending that certain Initial Filing Statement #51-94209 (please record in **Category 3 – UCC Filings and Financial Statements**);
10. Release of Memorandum of Right to Sanction Payment That Burdens Certain Properties, dated effective August 26, 2021, by and between LLOG Exploration Offshore, L.L.C., LLOG Deepwater Development Company III, L.L.C., and BOE II Shen LLC (please record under **Category 2 – Release of Mortgages and Liens**);
11. UCC-3 Termination of Initial Financing Statement, terminating that certain Initial Filing Statement #1614834 (please record in **Category 3 – UCC Filings and Financial Statements**);
12. Act of Supplement to and Amendment to Act of Multiple Indebtedness Mortgage, Assignment of As-Extracted Collateral, Security Agreement, Fixture Filing and Financing Statement, dated as of August 25, 2021, from Beacon Offshore Energy Development LLC, as Mortgagor, in favor of Societe Generale, as Security Agent, as Mortgagee, (please record in **Category 1 – Mortgage, Deed of Trust, Security Agreement**); and
13. UCC3 Financing Statement Amendment, amending that certain Initial Filing Statement #51-94251 (please record in **Category 3 – UCC Filings and Financial Statements**).

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Please file each of these documents in the non-required filing records maintained by your office in the records affecting the leases listed below:

1. OCS-G 25232, WR 52;
2. OCS-G 28148, WR 53; and
3. OCS-G 31938, WR 51.

Also enclosed are pay.gov receipts evidencing payment of the required filing fees. Should you have any questions, please contact the undersigned at 504-561-0400.

Thank you in advance for your courtesies in this matter.

Yours very truly,



Patti L. Spinney
Legal Assistant

Enclosures

**AMENDMENT TO MEMORANDUM OF UNIT OPERATING AGREEMENT AND
FINANCING STATEMENT**

UNITED STATES OF AMERICA §
 §
THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BE IT KNOWN, that on the 24 day of August, 2021, to be effective as of the Effective Date (as such term is defined in the Memorandum) before the undersigned Notary Public, duly commissioned and qualified in and for the State and County aforesaid, and in the presence of the undersigned respective competent witnesses, personally came and appeared:

BOE EXPLORATION & PRODUCTION LLC, with offices at 3 Allen Center, 333 Clay Street, Suite 4200, Houston, Texas 77002 ("BOE"), represented herein by its undersigned officer duly authorized hereunto;

BEACON OFFSHORE ENERGY DEVELOPMENT LLC, with offices at 3 Allen Center, 333 Clay Street, Suite 4200, Houston, Texas 77002 ("Beacon"), represented herein by its undersigned officer duly authorized hereunto;

BOE II SHEN LLC, with offices at 3 Allen Center, 333 Clay Street, Suite 4200, Houston, Texas 77002 ("BOEII"), represented herein by its undersigned officer duly authorized hereunto;

BOE II EXPLORATION LLC, with offices at 3 Allen Center, 333 Clay Street, Suite 4200, Houston, Texas 77002 ("BOEII Exploration"), represented herein by its undersigned officer duly authorized hereunto; and

SHENHAI LLC, with offices at 5847 San Felipe Street, Suite 2200, Houston, Texas 77057 ("ShenHai"), represented herein by its undersigned officer, duly authorized hereunto;

who, being duly sworn, did declare and say that, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto wish to execute and deliver this Amendment to Memorandum of Unit Operating Agreement and Financing Statement (the "Amendment") to secure the obligations (as defined in the Memorandum described below).

RECITALS:

WHEREAS, reference is made to that certain Unit Operating Agreement dated effective April 1, 2014, as amended (the "Operating Agreement"), providing for the development and production of crude oil, natural gas and associated substances from the lands described in Exhibit "A" of the Operating Agreement (hereinafter called the "Contract Area") and described more

particularly in *Attachment "I"* to this Amendment, and designating BOE, as Affiliate Operator, to conduct such operations for Beacon, BOEII, BOEII Exploration and ShenHai, as Non-Operators;

WHEREAS, reference is made to that certain Memorandum of Unit Operating Agreement and Financing Statement (Louisiana) dated August 3, 2021, effective April 1, 2014, by and among BOE, in its capacity as Affiliate Operator, Beacon, in its capacity as Non-Operator and Operator's Affiliate, and BOEII and ShenHai, in their capacities as Non-Operator ("Memorandum"), which was filed for record on (i) August 5, 2021, in MOB 1971, Page 250, COB 1709, Page 694, File No. 2021-00006847, Iberia Parish, Louisiana, (ii) August 5, 2021, in MOB 1631, Page 77, COB 417, Page 598, File No. 337498, St. Mary Parish, Louisiana, (iii) August 4, 2021, in MOB 3275, Page 346, COB 2644, Page 334, File No. 1632568, Terrebonne Parish, Louisiana; and (iv) August 20, 2021 with the Bureau of Ocean Energy Management;

WHEREAS, through a series of assignments, the Working Interests of the Leases are held by ShenHai, Beacon, BOEII Exploration and BOEII as shown in *Attachment "I"* hereto;

WHEREAS, the parties hereto wish to enter into this Amendment in order to (i) reaffirm the mortgages, pledges and security interests granted in the Memorandum by BOE, as Affiliate Operator, and Beacon, BOEII and ShenHai, as Non-Operators, (ii) have BOEII Exploration grant to the Affiliate Operator a mortgage, pledge and security interest against its Working Interests in the Leases, and (iii) make such other amendments thereto as provided herein.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

Section 1. Grant of Mortgage and Security Interest by BOEII Exploration.

(a) Mortgage in Favor of the Affiliate Operator. To secure the complete and timely performance and payment by BOEII Exploration of all obligations and indebtedness of every kind and nature, whether now owed by BOEII Exploration or hereafter arising, pursuant to the Operating Agreement, BOEII Exploration grants to the Affiliate Operator a mortgage, hypothecate, and pledge of and over all of its rights, titles, and interests in and to (a) the Leases, (b) the oil, gas, and associated substances in, on, under, and that may be produced from the lands within the Contract Area, and (c) all other immovable property susceptible of mortgage situated within the Contract Area. The maximum amount for which the mortgage herein, granted by BOEII Exploration shall be deemed to secure the obligations and indebtedness of BOEII Exploration to the Affiliate Operator, as stipulated herein, is hereby fixed in an amount equal to \$500,000,000.00 (the "Limit of the Mortgage of Non-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 BOEII Exploration to the Affiliate Operator is secured hereby without limitation. Notwithstanding the foregoing Limit of the Mortgage of Non-Operator, the liability of BOEII Exploration under the Operating Agreement and the mortgage, pledge and security interest granted hereby shall be limited to (and the Affiliate Operator shall not be entitled to enforce the same against BOEII Exploration for an amount exceeding) the actual obligations and indebtedness (including all interest charges, costs, attorneys' fees, and other charges provided for in the

Operating Agreement, the Memorandum, or in this Amendment) outstanding and unpaid and that are attributable to or charged against the interest of BOEII Exploration pursuant to the Operating Agreement.

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

(i) 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 subleases, whether or not described in *Attachment "I"* to the extent, and only to the extent, that such agreements, assignments, and subleases 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 Leases or the Contract 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 Leases or the Contract Area;

(ii) 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 *Attachment "I"* to the extent, and only to the extent, those contracts and agreements cover or include all or any portion of the Leases or the Contract Area; and

(iii) 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 Leases or the Contract Area.

Section 2. Ratification by BOEII Exploration. BOEII Exploration hereby ratifies, adopts and confirms the terms and provisions of the Memorandum, and hereby becomes a party to and becomes bound by the terms and provisions of the Memorandum to the same extent as if it were an original signatory party to the Memorandum.

Section 3. Reaffirmation by Parties. To secure the complete and timely performance and payment of the obligations and indebtedness of every kind and nature as described in the Memorandum, BOE, Beacon, BOEII and ShenHai do each HEREBY REAFFIRM, RATIFY, CONFIRM AND ACKNOWLEDGE (a) the mortgages, pledges and security interests granted pursuant to the Memorandum and the secured indebtedness referred to therein, as amended and supplemented hereby, (b) the Memorandum, as amended and supplemented hereby, and (c) all obligations, covenants, representations and warranties of each of such parties under the Memorandum, as amended and supplemented hereby.

Section 4. Amendment. Attachment "I" to the Memorandum shall be deleted in its entirety and replaced with the *Attachment "I"* attached hereto and made part hereof.

Section 5. Effectiveness of the Memorandum. As amended and supplemented by this Amendment, the Memorandum shall remain in full force and effect. None of the rights, titles and interests existing and to exist under the Memorandum, as amended and supplemented by this Amendment, are hereby released, diminished, or impaired. Each of the parties acknowledge and agree that this Amendment shall in no manner impair or affect the validity, enforceability or priority of the Memorandum pursuant to La. Rev. Stat. Ann. § 9:5390.

Section 6. Interpretation. Any capitalized terms that are used in this Amendment, but that are not defined herein, shall have the meaning ascribed to such term in the Memorandum or in the Operating Agreement, whichever is applicable. Reference is made hereby to the Memorandum for all purposes, and its terms and provisions are incorporated herein by this

reference to the same extent as if the Memorandum was reproduced herein, as amended and supplemented by this Amendment. In the event of any conflict between the terms and provisions of this Amendment and those contained in the Operating Agreement, including exhibits thereto, and notwithstanding anything to the contrary in the Operating Agreement, the terms and provisions of this Amendment shall at all times and in all events, prevail and control and govern between the parties hereto, with the non-conflicting terms and provisions of the Operating Agreement continuing in full force and effect. The presence of a term governing conduct in the Operating Agreement and the absence of a term governing the same conduct in this Amendment or the presence of a term governing conduct in this Amendment and the absence of a term governing the same conduct in the Operating Agreement shall not constitute a conflict between the agreements.

Section 7. Miscellaneous.

(a) It is understood and agreed by the parties hereto that if any part, term, or provision of this Amendment is by the courts 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 Amendment did not contain the particular part, term, or provision held to be invalid.

(b) This Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, and assigns. The failure of one or more persons owning an interest in the Contract Area to execute this Amendment shall not in any manner affect the validity of the Amendment as to those persons who execute this Amendment.

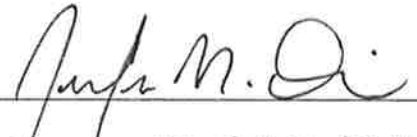
(c) This Amendment may be executed or ratified in one or more counterparts and all of the executed or ratified counterparts shall together constitute one instrument. For purposes of recording, only one copy of this Amendment with individual signature pages attached thereto needs to be filed of record. Each party hereto authorizes the filing by any other party of an original or any copy of this Amendment as a financing statement under the Uniform Commercial Code.


(SIGNATURE PAGES TO IMMEDIATELY FOLLOW)


THUS DONE AND PASSED, in multiple originals before me, the undersigned Notary Public in and for the State and County aforesaid, and in the presence of the undersigned competent witnesses, who hereunto signed their names with the undersigned appearer, and me, Notary Public, after due reading of the whole, on the 24 day of August, 2021, to be effective as of the Effective Date.

**BEACON OFFSHORE ENERGY
DEVELOPMENT LLC**, a Delaware limited
liability company

WITNESSES:


Print Name: Jennifer N. Dill

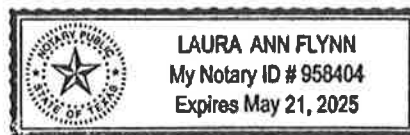
By: 
Name: Marc Hensel
Title: President and Chief Financial Officer


Print Name: Kenni Callahan


NOTARY PUBLIC

Full name as appears in notarial commission: Laura Ann Flynn
Notarial Identification Number: 958404

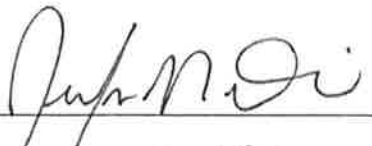
My Commission Expires on: 5.21.2025





THUS DONE AND PASSED, in multiple originals before me, the undersigned Notary Public in and for the State and County aforesaid, and in the presence of the undersigned competent witnesses, who hereunto signed their names with the undersigned appearer, and me, Notary Public, after due reading of the whole, on the 24 day of August, 2021, to be effective as of the Effective Date.

BOE EXPLORATION & PRODUCTION LLC,
a Delaware limited liability company

WITNESSES:


Print Name: Jennifer M. Dill

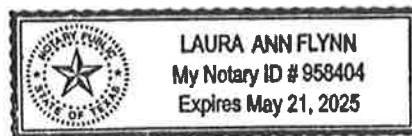
By: 
Name: Marc Hensel
Title: President and Chief Financial Officer


Print Name: Kenni Callahan


NOTARY PUBLIC

Full name as appears in notarial commission: Laura Ann Flynn
Notarial Identification Number: 958404


My Commission Expires on: 5.21.2025





THUS DONE AND PASSED, in multiple originals before me, the undersigned Notary Public in and for the State and County aforesaid, and in the presence of the undersigned competent witnesses, who hereunto signed their names with the undersigned appearer, and me, Notary Public, after due reading of the whole, on the 24 day of August, 2021, to be effective as of the Effective Date.

BOE II SHEN LLC,
a Delaware limited liability company

WITNESSES:


Print Name: Jennifer Dill

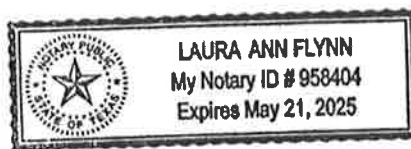
By: 
Name: Heath Suire
Title: Authorized Person


Print Name: Keni Callahan


NOTARY PUBLIC

Full name as appears in notarial commission: Laura Ann Flynn
Notarial Identification Number: 958404

My Commission Expires on: 5.21.2025



THUS DONE AND PASSED, in multiple originals before me, the undersigned Notary Public in and for the State and County aforesaid, and in the presence of the undersigned competent witnesses, who hereunto signed their names with the undersigned appearer, and me, Notary Public, after due reading of the whole, on the 24 day of August, 2021, to be effective as of the Effective Date.

BOE II EXPLORATION LLC,
a Delaware limited liability company

WITNESSES:

Jennifer M. Dill
Print Name: Jennifer M. Dill

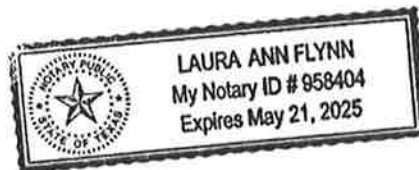
By: Jay Register
Name: Jay Register
Title: Vice President Land & Business Development

Kenni Callahan
Print Name: Kenni Callahan

Laura Ann Flynn
NOTARY PUBLIC

Full name as appears in notarial commission: Laura Ann Flynn
Notarial Identification Number: 958404

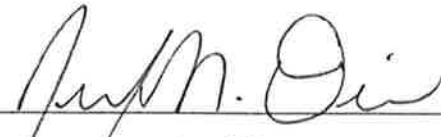
My Commission Expires on: 5.21.2025





THUS DONE AND PASSED, in multiple originals before me, the undersigned Notary Public in and for the State and County aforesaid, and in the presence of the undersigned competent witnesses, who hereunto signed their names with the undersigned appearer, and me, Notary Public, after due reading of the whole, on the 24 day of August, 2021, to be effective as of the Effective Date.

SHENHAI LLC,
a Delaware limited liability company

WITNESSES:


Print Name: Jennifer N. Dill

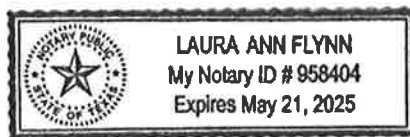
By: 
Name: Chavar Wolf
Title: Deputy CEO


Print Name: Kenri Callahan


NOTARY PUBLIC

Full name as appears in notarial commission: Laura Ann Flynn
Notarial Identification Number: 958404

My Commission Expires on: 5.21.2025



ATTACHMENT "1"

**ATTACHED TO AND MADE A PART OF THAT CERTAIN
AMENDMENT OF MEMORANDUM OF UNIT OPERATING AGREEMENT
AND FINANCING STATEMENT
DATED EFFECTIVE APRIL 1, 2014,
BY AND AMONG
BOE EXPLORATION & PRODUCTION LLC, AS AFFILIATE OPERATOR,
AND
BEACON OFFSHORE ENERGY DEVELOPMENT LLC, BOE II SHEN LLC, BOE II
EXPLORATION LLC AND SHENHAI, LLC, AS NON-OPERATORS**

A. AFFILIATE OPERATOR: BOE Exploration & Production LLC

B. CONTRACT AREA

The Unit Area of Walker Ridge Block 51 Unit, Contract No. 754314003, covering all of Walker Ridge Blocks 51 and 52, and the North Half of Walker Ridge Block 53.

DESCRIPTION OF LEASE(S):

1. Oil and Gas Lease of Submerged Lands, bearing Serial No. OCS-G 31938, dated effective as of December 1, 2007, by and between the United States of America, as Lessor, and ConocoPhillips Company, as Lessee, covering all of Block 51, Walker Ridge, OCS Official Protraction Diagram, NG 15-06, containing approximately 5,760.00 acres, more or less.
2. Oil and Gas Lease of Submerged Lands, bearing Serial No. OCS-G 25232, dated effective as of June 1, 2003, by and between the United States of America, as Lessor, and Kerr-McGee Oil & Gas Corporation, as Lessee, covering all of Block 52, Walker Ridge, OCS Official Protraction Diagram, NG 15-06, containing approximately 5,760.00 acres, more or less.
3. Oil and Gas Lease of Submerged Lands, bearing Serial No. OCS-G 28148, dated effective as of May 1, 2006, by and between the United States of America, as Lessor, and Hunt Oil Company, as Lessee, covering all of Block 53, Walker Ridge, OCS Official Protraction Diagram, NG 15-06, INsofar AND ONLY INsofar AS said lease covers the N/2 of Block 53, Walker Ridge, containing approximately 2,880.00 acres, more or less.

C. Working Interests in the Leases are as follows:

Beacon Offshore Energy Development LLC	20.05000%
BOE II Shen LLC	20.00000%
BOE II Exploration LLC	10.95000%
ShenHai, LLC	<u>49.00000%</u>
	100.00000%

D. Encumbrances

1. A lessor's royalty of 16.6667% on Walker Ridge Block 51 and 12.5% on Walker Ridge Blocks 52 and 53 is borne by all parties;
2. A 0.50% overriding royalty interest payable to Nexen Petroleum Offshore U.S.A. Inc. on Walker Ridge Blocks 51 and 52 only is borne by all parties;
3. A 1.5% overriding royalty interest payable to Exxon Mobil Corporation on Walker Ridge Blocks 51 and 52 only is borne by all parties;
4. A 3.0% overriding royalty interest payable to Hunt Oil Company on Walker Ridge Block 53 only is borne by all parties;
5. A 0.5% overriding royalty interest payable to WesternGeco on all the leases in the Contract Area is borne solely by BOE II Shen LLC and BOE II Exploration LLC according to the assignments and contractual arrangement of such parties;
6. A 0.3095% overriding royalty interest payable to LLOG Deepwater Development Company III, L.L.C. on all the leases in the Contract Area is borne solely by BOE II Shen LLC and BOE II Exploration LLC according to the assignments and contractual arrangement of such parties;
7. A 4.955% of 46.4625% Net Revenue Interest (as defined below) on the leases covering Walker Ridge Block 52 and the North ½ of Walker Ridge Block 53 and a 4.955% of 44.25% Net Revenue Interest on the lease covering Walker Ridge Block 51 payable to Nechamka Investments 2001 LTD, which may be reduced to 3.75% of 46.4625% as to the leases covering Walker Ridge Block 52 and the North ½ of Walker Ridge Block 53 and a 3.75% of 44.25% as to the lease covering Walker Ridge Block 51 upon the occurrence of certain circumstances described more particularly in that certain Conveyance of Overriding Royalty Interest, dated as of August 1, 2020, as recorded in the public records of (A) Iberia Parish, Louisiana, at Conveyance Book 1695, Page 304, under File No. 2020-00009033, (B) St. Mary Parish, Louisiana, at Conveyance Book 405, Page 162, under File No. 335662, and (C) Terrebonne Parish, Louisiana, at Conveyance Book 2619, Page 41, under File No. 1613802 (the "**ORRI Conveyance**"), which is borne solely by ShenHai, LLC and Beacon Offshore Energy Development LLC according to the assignments and contractual arrangement of such parties);
8. A 0.180% of 46.4625% Net Revenue Interest on the leases covering Walker Ridge Block 52 and the North ½ of Walker Ridge Block 53 and a 0.180% of 44.25% Net Revenue Interest on the lease covering Walker Ridge Block 51 payable to Yacob Katz,

which may be increased to 0.75% of 46.4625% as to the leases covering Walker Ridge Block 52 and the North ½ of Walker Ridge Block 53 and a 0.75% of 44.25% as to the lease covering Walker Ridge Block 51 upon the occurrence of certain circumstances described more particularly in the ORRI Conveyance, which is borne solely by ShenHai, LLC and Beacon Offshore Energy Development LLC according to the assignments and contractual arrangement of such parties;

9. A 0.700% of 46.4625% Net Revenue Interest on the leases covering Walker Ridge Block 52 and the North ½ of Walker Ridge Block 53 and a 0.700% of 44.25% Net Revenue Interest on the lease covering Walker Ridge Block 51 payable to Snowing at Louise Inc., which may be increased to 0.75% of 46.4625% as to the leases covering Walker Ridge Block 52 and the North ½ of Walker Ridge Block 53 and a 0.75% of 44.25% as to the lease covering Walker Ridge Block 51 upon the occurrence of certain circumstances described more particularly in the ORRI Conveyance, which is borne solely by ShenHai, LLC and Beacon Offshore Energy Development LLC according to the assignments and contractual arrangement of such parties; and
10. A 0.165% of 46.4625% Net Revenue Interest on the leases covering Walker Ridge Block 52 and the North ½ of Walker Ridge Block 53 and a 0.165% of 44.25% Net Revenue Interest on the lease covering Walker Ridge Block 51 payable to Jochanna Ja' Akov Wolf, which may be increased to 0.75% of 46.4625% as to the leases covering Walker Ridge Block 52 and the North ½ of Walker Ridge Block 53 and a 0.75% of 44.25% as to the lease covering Walker Ridge Block 51 upon the occurrence of certain circumstances described more particularly in the ORRI Conveyance, which is borne solely by ShenHai, LLC and Beacon Offshore Energy Development LLC according to the assignments and contractual arrangement of such parties.

“**Net Revenue Interest**” has the meaning ascribed to such term in the ORRI Conveyance.

E. Notification Addresses and Company Representatives

BOE Exploration & Production LLC
333 Clay St., Suite 4200
Houston, Texas 77002
Attention: Jay Register
Phone: (346) 867-0524
Fax: (281) 476-7767
Email: jregister@beaconoffshore.com

BOE II Shen LLC
1200 Smith Street, Suite 2400
Houston, Texas 77002
Attention: Heath Suire
Phone: (713) 650-8008
Fax: (713) 650-8305
Email: hsuire@houstonenergyinc.com

Beacon Offshore Energy Development LLC
333 Clay St, Suite 4200
Houston, Texas 77002
Attention: Jay Register
Phone: (346) 867-0524
Fax: (281) 476-7767
Email: jregister@beaconoffshore.com

BOE II Exploration LLC
333 Clay St., Suite 4200
Houston, Texas 77002
Attention: Jay Register
Phone: (346) 867-0524
Fax: (281) 476-7767
Email: jregister@beaconoffshore.com

ShenHai, LLC
5847 San Felipe Street, Suite 2200
Houston, Texas 77057
Attention: Amit Kornhauser
Email: amit@navitaspet.com
WITH A COPY TO:
Attention: Jonathan Sternberg
Email: jonathan@navitaspet.com
Phone: +972-9-7883680