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ADJUDICATION SECTION
APR 22 2022

9805 Katy Freeway, Suite G200
Houston, Texas 77024
Office: 281-717-5139
Fax: 281-675-9454
Email:carrie_rosas@murphyoilcorp.com

April 21, 2022

VIA Email

Bureau of Ocean Energy Management
1201 Elmwood Park Boulevard
New Orleans, Louisiana 70123-2394

Re: BOEM Non-Required Documents
Assignment of Overriding Royalty
OCS-G 35662, Green Canyon Blk 478

To whom it may concern-

Enclosed please find pdf copies of the following;

Title of Document: Assignment of Overriding Royalty
Identities of Parties to Document: King's Quay FPS LLC and ILX Prospect Mormont, LLC
Leases effected: OCS-G 35662
Category to be Filed: 5 = Overriding Royalty, Production Payment, Net Profit
Service Fees: Pay.Gov receipt enclosed in the amount of \$29.00

Once this document has been processed as requested, I would appreciate your date stamping and emailing a copy to my attention at carrie_rosas@murphyoilcorp.com

Should you have any questions or require any additional information concerning the enclosed, please contact me at your convenience at 281-675-9136.

Sincerely,

Carrie Rosas
Lease Analyst
Murphy Exploration & Production Company- USA

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Lafourche Parish Recording Page

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

First VENDOR

KING'S QUAY FPS LLC

First VENDEE

ILX PROSPECT MORMONT LLC

Index Type : CONVEYANCE

Inst Number : 1321533

Type of Document : ASSIGNMENT

Book : 2205 Page : 672

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 Lafourche Parish, Louisiana.

On (Recorded Date) : 08/13/2021

At (Recorded Time) : 9:51:46AM



Doc ID - 033774620019

Brandy M. Meeks

Deputy Clerk

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APR 22 2022

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Execution Version

**ASSIGNMENT OF OVERRIDING ROYALTY
(MORMONT PROSPECT)**

This Assignment of Overriding Royalty (Mormont Prospect) (this "*Assignment*"), between the grantor identified on the signature page ("*Producer*") and King's Quay FPS, LLC, a Delaware limited liability company ("*FPS Owner*"), as agent for the Payment Parties, is made and entered into as of March 17, 2021 (the "*Execution Date*"). *Producer* and *FPS Owner* may be referred to herein individually as a "*Party*" and collectively as the "*Parties*".

RECITALS

A. *Producer*, *FPS Owner* and King's Quay Laterals LLC, a Delaware limited liability company (the "*Lateral Company*") are parties, among other agreements, to that certain Facilities Agreement, dated as of the Execution Date (as hereafter amended, the "*Facilities Agreement*").

B. Section 8.4 of the Facilities Agreement requires *Producer* to assign *FPS Owner* and the *Lateral Company* an overriding royalty payable if any ORRI Activation Event (as defined below) occurs.

C. *Producer* and *FPS Owner* are also parties, among others, to that certain Production Handling and Floating Production System Use Agreement for Mormont Prospect, dated as of the Execution Date (as hereafter amended, the "*Mormont PHA*").

D. The Mormont PHA requires *Producer* to assign to *FPS Owner* an overriding royalty payable if one or more of the PHA ORRI Activation Events (as defined below) occurs.

E. *Producer* and the *Lateral Company* are parties, among others, to that certain Transportation Agreement for the Mormont Producers (Oil Lateral Facilities), dated as of the Execution Date (as hereafter amended, the "*Oil Transportation Agreement*") and that certain Transportation Agreement for the Mormont Producers (Gas Lateral Facilities), dated as of the Execution Date (the "*Gas Transportation Agreement*") and, collectively with the Oil Transportation Agreement, the "*Transportation Agreements*").

F. The Transportation Agreements require *Producer* to assign to *FPS Owner* an overriding royalty payable if one or more of the Transportation Agreement ORRI Activation Events (as defined below) occurs.

G. The PHA ORRI Activation Events and the Transportation Agreement ORRI Activation Events shall each be referred to from time to time in this Assignment as an "*ORRI Activation Event*".

H. Although no ORRI Activation Event has occurred, *Producer* and *FPS Owner* have agreed to make this Assignment effective as of the Execution Date, but with no overriding royalty payments accruing or payable until an ORRI Activation Event occurs, which the Parties hereto recognize to be an event that may never occur. If, however, any such ORRI Activation Event occurs, the overriding royalty payments due hereunder shall thereafter accrue and be made from proceeds of production from the Mormont Leases.

I. This Assignment shall constitute a burden encumbering Producer's interest in the Mormont Leases.

AGREEMENT

As a material inducement for FPS Owner to enter into the Mormont PHA and for the Lateral Company to enter into the Transportation Agreements, and in consideration of the mutual benefits and obligations of the Parties, Producer and FPS Owner have agreed, and hereby agree, as follows:

1. Certain Definitions. For purposes of this Assignment, the following definitions shall apply:

"Activation Event Payouts" is defined in Section 8.

"Anchor Prospects" are defined in the PHA.

"Applicable Proceeds" mean the gross proceeds actually received of Hydrocarbons produced under the Mormont Leases and allocated to the Producer Interest, minus the costs and expenses deductible under Section 3.

"Assignment" is defined in the Preamble.

"BOEM" means the Bureau of Ocean Energy Management or any agency or authority of the United States from time to time succeeding to any of its functions.

"Business Day" means any Day other than a Saturday, Sunday or any Day on which banking institutions in Houston, Texas are required or authorized by Law to remain closed.

"Condensate" means those Hydrocarbons which remain in a liquid state after being subject to separation.

"Day" means a period of twenty-four (24) consecutive hours beginning at 7:00 am, United States Central Time, or at such other time as the Parties mutually agree.

"Dispute" is defined in Section 16(q)(i).

"Execution Date" is defined in the Preamble.

"Facilities Agreement" is defined in the Recitals.

"FPS Owner" is defined in the Preamble.

"FPS Owner Payout" is defined in the Mormont PHA.

"Gas" means any mixture of gaseous Hydrocarbons, consisting essentially of methane and heavier and liquefiable Hydrocarbons and inert and noncombustible gases which are extracted from the subsurface of the earth.

"Gas Transportation Agreement" is defined in the Recitals.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof and any entity or administrative authority, agency, court, tribunal, arbitrator, commission, board or bureau exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Hydrocarbons" means the oil, gas and associated liquid and gaseous by-products (except helium) that may be produced from a well bore on a Prospect (as defined in the Mormont PHA).

"Lateral Company" is defined in the Recitals.

"Lateral Owner Payout" is defined in the applicable Transportation Agreement.

"Law" means the statutes, laws, rules (including rules of common law and civil law), regulations, judgments, decrees, ordinances and orders of any Governmental Authority having jurisdiction, whether such Laws now exist or hereafter come into effect.

"Mormont Leases" is defined in Section 2.

"Mormont ORRI" is defined in Section 2.

"Mormont PHA" is defined in the Recitals.

"Mormont Prospect Operator" is defined in the Mormont PHA.

"Oil" means any mixture of Hydrocarbons, regardless of gravity, originally and naturally occurring as liquids at the wellhead and also distillate or other liquid Hydrocarbons recovered by use of conventional separators, including Condensate.

"Oil Transportation Agreement" is defined in the Recitals.

"ORRI Activation Event" is defined in the Recitals.

"ORRI Payout" means:

- (a) In the case of a PHA ORRI Activation Event under Section 3.7(b)(v) of the Mormont PHA, the amount specified in such Section of the Mormont PHA;
- (b) In the case of a PHA ORRI Activation Event under Section 3.7(c)(iii) of the Mormont PHA, the amount specified in such Section of the Mormont PHA;
- (c) In the case of a PHA ORRI Activation Event under Section 6.2(e) of the Mormont PHA, the amount specified in such Section of the Mormont PHA;

- (d) In the case of a Transportation Agreement ORRI Activation Event under Section 3.6(b)(v) of the Oil Transportation Agreement, the amount specified in such Section of the Oil Transportation Agreement;
- (e) In the case of a Transportation Agreement ORRI Activation Event under Section 3.6(c)(iii) of the Oil Transportation Agreement, the amount specified in such Section of the Oil Transportation Agreement;
- (f) In the case of a Transportation Agreement ORRI Activation Event under Section 3.6(b)(v) of the Gas Transportation Agreement, the amount specified in such Section of the Gas Transportation Agreement; and
- (g) In the case of a Transportation Agreement ORRI Activation Event under Section 3.6(c)(iii) of the Gas Transportation Agreement, the amount specified in such Section of the Gas Transportation Agreement.

“Other Owner Revenues” is defined in Section 7.

“Other Producer ORRIs” mean the overriding royalty interests assigned by Other Producers to FPS Owner, as agent for the Payment Parties, pursuant to assignments of overriding royalties with respect to the Anchor Prospects on the Execution Date, which are substantially identical to this Assignment.

“Other Producers” means any Person other than Producer that owns Hydrocarbons that are delivered to the FPS (as defined in the Mormont PHA) for Processing and Handling (as defined in the Mormont PHA) and then transported through the Lateral Facilities (as defined in the Mormont PHA).

“Party” and **“Parties”** are defined in the Preamble.

“Payment Parties” mean the Persons entitled to payment of the Mormont ORRI, consisting of FPS Owner (with respect to any Mormont ORRI payment arising under the Mormont PHA) and the Lateral Company (with respect to any Mormont ORRI payment arising under the Transportation Agreements).

“Permitted Liens” are defined in the Facilities Agreement.

“Person” means any natural or legal person, including any corporation, limited liability company, joint venture, association, joint stock company, general or limited partnership, trust, agency, association, organization, Governmental Authority or other entity.

“PHA ORRI Activation Event” means any of the following:

- (a) Producer is required to pay the Mormont ORRI pursuant to Section 3.7(b)(v) of the Mormont PHA;
- (b) Producer is required to pay the Mormont ORRI pursuant to Section 3.7(c)(iii) of the Mormont PHA; or
- (c) Producer is required to pay the Mormont ORRI pursuant to Section 6.2(e) of the Mormont PHA.

“Producer” is defined in the Preamble.

“Producer Interest” is defined in Section 2.

“Royalty Rate” means 18.75% of the Hydrocarbon production attributable to the Producer Interest.

“Subordination Agreement” means any subordination agreement pursuant to which the holder of a Permitted Lien on the Producer Interest subordinates its rights under the Permitted Lien to FPS Owner’s rights under this Assignment, whether executed prior to, as of or following the Execution Date.

“Termination Time” is defined in Section 10.

“Transportation Agreements” is defined in the Recitals.

“Transportation Agreement ORRI Activation Event” means any of the following:

- (a) Producer is required to pay the Mormont ORRI pursuant to Section 3.6(b)(v) of the Oil Transportation Agreement; or
- (b) Producer is required to pay the Mormont ORRI pursuant to Section 3.6(c)(iii) of the Oil Transportation Agreement; or
- (c) Producer is required to pay the Mormont ORRI pursuant to Section 3.6(b)(v) of the Gas Transportation Agreement.
- (d) Producer is required to pay the Mormont ORRI pursuant to Section 3.6(c)(iii) of the Gas Transportation Agreement.

2. **ORRI Grant.** Producer hereby grants, transfers, conveys, assigns and delivers an overriding royalty to FPS Owner, as agent for the Payment Parties, as further described hereafter in this Section 2 (the **“Mormont ORRI”**). The Mormont ORRI (i) applies to Producer’s record title and/or operating rights interests in all of the Oil, Gas and other Hydrocarbons in, on, under and that may be produced and saved from those lands subject to the leases comprising the Mormont Prospect, which are described on Attachment A, including any current or future units approved by the Department of the Interior, Bureau of Safety and Environmental Enforcement; or any successor

regulatory agency, that cover all or part of any such leases (such leases, the "*Mormont Leases*", and such interests of Producer, the "*Producer Interest*"), (ii) shall only be payable with respect to Oil, Gas and other Hydrocarbons produced on and after the first Day of the first calendar month commencing after the ORRI Activation Event occurs and (iii) shall be calculated by multiplying the Royalty Rate by the Applicable Proceeds of all Oil, Gas and other Hydrocarbons produced, saved and sold from or attributable to the Producer Interest in the Mormont Leases until FPS Owner, as agent for the Payment Parties, has received ORRI Payout for each ORRI Activation Event that occurs after the Execution Date; *provided that*, in no event shall the amount payable for multiple ORRI Activation Events cause Producers to pay more than the cumulative amount of the FPS Owner Payout and the Lateral Owner Payout. Notwithstanding anything herein to the contrary, each of FPS Owner and each Payment Party shall have the right to take in-kind, all or any portion, of its Royalty Rate share of the Hydrocarbons produced and saved from the Producer Interests in connection with the Mormont ORRI by providing 30 Days' written notice to the Producer. Except as otherwise provided under this Assignment, the Mormont ORRI shall be computed and paid to the FPS Owner in the same manner as royalties are computed and paid under the terms of the applicable Mormont Lease, *provided that*, the Mormont ORRI shall never be subject to, affected by or diminished by any past, present or future rules or regulations promulgated by the BOEM, or any other agency or authority having jurisdiction over the lands covered by the applicable lease, that provide for, or may provide for, relief, reduction or suspension of the lessor's royalty.

3. Responsibility for Costs. In the case of payments under the Mormont ORRI resulting from any ORRI Activation Event, the Mormont ORRI shall be free and clear of all drilling, development and production costs, but shall bear its share of all transportation and marketing costs, and all applicable taxes, including, but not limited to, severance or other similar taxes applicable to production.

4. Single Mormont ORRI. Notwithstanding the fact that multiple ORRI Activation Events may occur, Producer has granted only the single Mormont ORRI, and the occurrence of more than one ORRI Activation Event shall not increase the burden or Royalty Rate of the Mormont ORRI in any way.

5. FPS Owner as Collection Agent. FPS Owner is the holder of the Mormont ORRI as agent for the Payment Parties and shall receive payments under the Mormont ORRI on behalf of the Payment Parties. FPS Owner shall allocate all payments received under the Mormont ORRI as provided in Section 8 and shall remit each Payment Party's share of any payment under the Mormont ORRI within 30 Days of receipt. The Payment Parties are third party beneficiaries of this Assignment, but neither Producer nor the Mormont Prospect Operator shall have any liability under this Assignment to any Payment Party for a payment due under the Mormont ORRI which is made to FPS Owner but not remitted by FPS Owner (or, if remitted by FPS Owner to the Lateral Company, by the Lateral Company) to the proper Payment Parties.

6. Effect of Other Overriding Royalties. In the case of any ORRI Activation Event, some or all of the Other Producer ORRIs will become payable, and any payments made pursuant to such Other Producer ORRIs to FPS Owner, on behalf of the Payment Parties, shall be applied in calculating the ORRI Payout due as a result of such other ORRI Activation Event.

7. Effect of Other Recoveries by FPS Owner. In calculating the ORRI Payout due as a result of any ORRI Activation Event, FPS Owner shall include, without limitation, any other recovery by FPS Owner or the Lateral Company (as applicable), whether in the form of processing fees, handling fees, suspension fees, transportation fees, Other Producer ORRIs or Work Proceeds (as defined respectively in the Mormont PHA, the Oil Transportation Agreement and the Gas Transportation Agreement) (collectively, "**Other Owner Revenues**") that FPS Owner or the Lateral Company receive. Producer's, FPS Owner's and the Lateral Company's intent is not to allow any double recovery by FPS Owner with respect to FPS Owner Payout, or with respect to Lateral Owner Payout.

8. Allocation Priority. If at any time when the Mormont ORRI is payable under this Assignment due to multiple ORRI Activation Events, then each payment under the Mormont ORRI shall be allocated by FPS Owner among ORRI Payouts resulting from any such ORRI Activation Events ("**Activation Event Payouts**") on a pro-rata basis by multiplying the portion of the Mormont ORRI payment received by FPS Owner and available to apply to Activation Event Payouts by a fraction whose numerator is the particular Activation Event Payout due and whose denominator is the sum of all Activation Event Payouts then due under the Mormont ORRI.

9. Accounting. Following its commencement under Section 2, the Mormont ORRI is due on a monthly basis, and Producer shall cause the Mormont Prospect Operator to provide FPS Owner with appropriate accounting support for the payments made hereunder. Whenever requested by FPS Owner, Producer shall cause the Mormont Prospect Operator to make its production and payment records available for audit. FPS Owner's audit rights are limited to a review of records for the two-year period preceding the date of the most recent Mormont ORRI payment. Additionally, FPS Owner shall provide Producer with a monthly statement showing the Mormont ORRI payment received during the previous month, the total amount of Mormont overriding royalty payments with respect to production from the Mormont Prospect made by all Mormont Producers (as defined in the Mormont PHA), all Other Owner Revenues received by FPS Owner, and the total amount remaining for satisfaction of ORRI Payout. Whenever requested by Producer, FPS Owner shall make its accounting records available for audit. Producer's audit rights are limited to a review of FPS Owner's accounting records for the two year period preceding the date of the most recent FPS Owner monthly accounting.

10. ORRI Termination. The Mormont ORRI shall remain in full force and effect until 7:00 a.m. Central Time on the Day following the date on which FPS Owner has received all ORRI Payouts and no further ORRI Activation Events are possible (the "**Termination Time**"). Upon termination of the Mormont ORRI as provided above, all rights, titles and interests herein conveyed shall automatically terminate, revert to and vest in Producer and, upon request of Producer, FPS Owner shall execute and deliver to the Producer the form of Release included as Attachment B. If any single Mormont Lease should terminate or be released before the Termination Time, the Mormont ORRI will no longer apply to such terminated Mormont Lease, but the Mormont ORRI shall remain in full force and effect and undiminished as to all remaining Mormont Leases until the Termination Time, subject to the terms herein.

11. Estoppel Certificates. At any time upon written request to FPS Owner, Producer may obtain an estoppel certificate from FPS Owner, as agent of the Payment Parties, in favor of Producer and any lenders designated by Producer, in a form reasonably satisfactory to such

lenders, setting forth the then-outstanding amount of the FPS Owner Payout and Lateral Owner Payout and whether any of the ORRI Activation Events has occurred or is no longer possible to occur. If an ORRI Activation Event has occurred, the estoppel certificate shall further set forth the outstanding ORRI Payout remaining due as a result of such ORRI Activation Event.

12. ORRI Binds Successor Working Interest Owners. The Parties agree that this Assignment constitutes a burden on the Producer Interest in the Mormont Leases. If Producer conveys all or any portion of the Producer Interest in a Mormont Lease to a third party, the burden created by this Assignment, and all terms hereof, shall apply proportionately to any Producer Interest so acquired, and shall bind any successors and assigns of such Producer Interest. In the case of any conveyance of all or a portion of the Producer Interest in a Mormont Lease to a third party, such third party shall expressly agree in such assignment to be subject to and bound by the terms and conditions of this Assignment to the extent of the interest acquired.

13. No Lease Maintenance Obligation. Producer and its successors and assigns shall never be under any obligation to FPS Owner or any Payment Party to maintain a Mormont Lease in force and effect by the payment of rentals, the drilling of wells, the production of Hydrocarbons or otherwise. It is understood and agreed that Producer may surrender or relinquish its interest in any Mormont Lease, and any Mormont Lease may be released, without the consent, joinder or approval of FPS Owner or any Payment Party. It is recognized that FPS Owner, on behalf of the Payment Parties, will look solely to the Mormont ORRI for satisfaction and discharge of the Mormont ORRI, and that neither Producer, nor its principal officers, members or manager, is personally or corporately liable for the payment and discharge thereof.

14. No Title Warranty. This Assignment is made without warranty of title, express, statutory or implied, not even for the return of the purchase price, except that Producer specially warrants and agrees to defend title to the Producer Interest against any claims and demands of all Persons (other than the holders of the Permitted Liens not subject to a Subordination Agreement) claiming title to the Producer Interest by, through or under Producer, but not otherwise.

15. Covenants Remaining With the Land. All of the covenants and agreements herein contained shall be deemed covenants running with the land and shall be binding upon the successors and assigns of the Parties.

16. Miscellaneous.

(a) Entire Agreement. This Assignment, together with the Mormont PHA, the Transportation Agreements and the Other Producer ORRIs, supersede all prior (oral or written) and all oral contemporaneous proposals or agreements, all previous negotiations and all other communications or understandings between the Parties and their Affiliates with respect to the subject matter hereof.

(b) Amendments and Modifications. All amendments, supplements and modifications to this Assignment shall be in writing and signed by the Parties. No course of dealing between the Parties shall be construed to alter the terms hereof.

(c) Waivers. Neither action taken (including any investigation by or on behalf of any Party) nor inaction shall be deemed to constitute a waiver of compliance with any

representation, warranty, covenant or agreement contained herein by the Party not committing such action or inaction. A waiver by either Party of a particular right, including breach of any provision of this Assignment, must be in writing and shall not operate or be construed as a subsequent waiver of that same right or a waiver of any other right.

(d) Interpretation. The Parties have participated jointly in the negotiation and drafting of this Assignment. In the event an ambiguity or question of intent or interpretation arises, this Assignment shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Assignment.

(e) Headings. The headings used in this Assignment are inserted for convenience only and shall be disregarded in construing this Assignment.

(f) Exhibits and Schedules. All exhibits, schedules and attachments contained herein or attached hereto are integrally related to this Assignment, and are hereby made a part of this Assignment for all purposes.

(g) Counterparts. This Assignment may be executed in multiple counterparts, each of which, when executed, shall be deemed an original, and both of which, when executed and taken together, shall constitute one and the same instrument. In making proof hereof, one counterpart signed by both Parties shall be sufficient.

(h) Notices. All notices and other communications required or permitted to be given hereunder shall be in writing and may be delivered by hand, by electronic transmission in .pdf format or similar format, by nationally recognized private courier or by United States mail, in each case addressed to the applicable Party to the recipient at the mailing address or email address set forth below. Notices delivered by mail shall be deemed delivered three (3) Business Days after being deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested. Notices delivered by hand shall be deemed delivered when actually delivered. Notices delivered by nationally recognized private courier shall be deemed delivered on the date delivery is promised by the courier. Notice given by electronic mail shall be deemed received upon receipt of a written reply by electronic mail to the sending Party from the receiving Party or other verifiable evidence that the electronic mail message was read by the intended recipient (excluding any automated response other than an automated response evidencing delivery to the recipient):

(i) if to FPS Owner, to:

King's Quay FPS LLC
c/o ArcLight Capital Partners, LLC
200 Clarendon Street, 55th Floor
Boston, MA 02117
Attn: General Counsel
Telephone: (617) 531-6300
Email: N/A

and:

c/o Ridgewood King's Quay, LLC
1254 Enclave Parkway, Suite 600
Houston, TX 77077
Attn: David Jaben – Commercial
Daniel Gulino – Senior Vice President
Telephone: (281) 293-8488
Email: djaben@ridgewood.com
dgulino@ridgewood.com

with a copy (which shall not constitute notice) to:

Consolidated Asset Management Services (Texas), LLC
910 Louisiana Street, Suite 2400
Houston, TX 77002
Attn: Greg Bobrow
Telephone: (713) 358-9702
Email: gbobrow@camstex.com

- (ii) if to Producer, to the address and party on Schedule I.

Until written notice is delivered by a Party to each other Party to the contrary, each Person named above with respect to each Party set forth above is designated as the representative of such Party for notice purposes.

(i) Governing Law. THIS ASSIGNMENT SHALL BE INTERPRETED AND CONSTRUED IN ACCORDANCE WITH UNITED STATES FEDERAL LAW, INCLUDING GENERAL MARITIME LAW, BUT EXCLUDING ANY CONFLICTS OF LAW PRINCIPLES THAT WOULD DIRECT THE SUBSTANTIVE LAW OF ANOTHER JURISDICTION TO APPLY. TO THE EXTENT THAT UNITED STATES FEDERAL LAW IS DEEMED INAPPLICABLE BY A COURT OF COMPETENT JURISDICTION, THE LAWS OF THE STATE OF TEXAS (EXCLUDING ANY CONFLICTS OF LAW PRINCIPLES) SHALL CONTROL THE VALIDITY, CONSTRUCTION AND INTERPRETATION OF THIS ASSIGNMENT. NOTWITHSTANDING THE FOREGOING, TO THE EXTENT THE LAWS OF ANOTHER JURISDICTION WILL, UNDER CONFLICT OF LAWS PRINCIPLES, MANDATORILY GOVERN TRANSFER OF INTERESTS IN THE PRODUCER INTERESTS, THE LAWS OF SUCH JURISDICTION SHALL APPLY ONLY WITH RESPECT TO SUCH MATTERS.

(j) Forum. ANY ACTION ARISING OUT OF OR RELATING TO THIS ASSIGNMENT MUST BE BROUGHT EXCLUSIVELY IN ANY COURT OF APPROPRIATE JURISDICTION (FEDERAL OR STATE) IN HARRIS COUNTY, TEXAS, AND EACH PARTY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY SUCH COURT. WITHOUT PREJUDICE TO SERVICE IN ANY OTHER MANNER PERMITTED BY LAW, ANY WRIT OR OTHER NOTICE OF LEGAL PROCESS IN ANY SUCH ACTION WILL BE SUFFICIENTLY SERVED IF DELIVERED TO THE APPLICABLE PARTY DESIGNATED PURSUANT TO SECTION 16(h). THE PARTIES EXPRESSLY WAIVE THE RIGHT TO TRIAL BY JURY.

(k) Severability. Any term or provision of this Assignment that is deemed invalid or unenforceable by a court of competent jurisdiction shall be deemed ineffective only as to such jurisdiction and to the extent of such invalidity or unenforceability, without rendering invalid or unenforceable the remaining terms and provisions of this Assignment or affecting the validity or enforceability of any terms and provisions of this Assignment in any other jurisdiction. If any provision of this Assignment is deemed by a court of competent jurisdiction so broad as to be unenforceable, then such provision shall be construed only as strictly as is required to render such provision enforceable.

(l) Remedies. Except to the extent that remedies are expressly limited herein, the rights and remedies provided for in this Assignment are cumulative and not exclusive of any other rights or remedies that may be available to the Parties whether provided by Law or equity, including specific performance. Except as otherwise expressly provided herein or in the Defense, Indemnity and Insurance Agreement, each Party shall be responsible for its own costs related to enforcing this Assignment, including reasonable attorneys' fees, court costs and settlement and arbitration expenses.

(m) No Third-Party Beneficiary. Except as set forth in Section 5 and subject to the limitations in Section 5, and as otherwise provided for in the Defense, Indemnity and Insurance Agreement, the Parties do not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

(n) No FPS Owner or Payment Party Assignment. Neither FPS Owner nor any Payment Party may assign its rights under this Assignment. Any attempted assignment made in violation of this Section 16(n) shall be null and void *ab initio*.

(o) Successors and Assigns. Subject to Section 16(n), this Assignment shall be binding upon the Parties and their respective successors and permitted assigns. Should any Party change its name or merge with or into another entity, such merger or change in name shall not affect any of its rights or obligations hereunder.

(p) Further Assurances. Subject to the terms and conditions set forth in this Assignment, each of the Parties agrees to use all commercially reasonable efforts to take, or to cause to be taken, all actions, and to do, or to cause to be done, all things necessary, proper or advisable under applicable Law to consummate and make effective the transactions contemplated by this Assignment. In case, at any time after the execution of this Assignment, any further action is necessary or desirable to carry out the purposes of this Assignment, the proper officers, directors or other appropriate representatives of the Parties shall take or cause to be taken all such necessary action.

(q) Dispute Resolution.

(i) Prior to commencing litigation with respect to any controversy, claim or other proceeding between the Parties arising out of or relating to this Assignment, the validity, interpretation or the enforcement of this Assignment, an alleged dispute, breach, default or misrepresentation in connection with this Assignment or the transactions contemplated hereby (a "*Dispute*") (unless a delay in commencing litigation would bar

such litigation under applicable statutes of limitation) the disputing Party shall give notice to each Party of the nature of the Dispute and requesting that the Dispute be discussed and potentially resolved by the senior management of each Party, including, if applicable, the chief executive officer or president of each Party.

(ii) Within five (5) Business Days after delivery of such notice, representatives of senior management of each Party, including, if applicable, the chief executive officer or president of such Parties, shall meet to discuss the Dispute. If such meeting does not occur or the Dispute is not resolved within ten (10) Business Days after such meeting, then the disputing Party may commence litigation.

(r) Limitation on Liability. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY (EXCEPT AND TO THE EXTENT THAT AMOUNTS TO BE PAID AS LIQUIDATED DAMAGES OR INDEMNIFICATION FOR DELAY, SUSPENSION, DOWNTIME OR TERMINATION ARE EXPRESSLY PROVIDED FOR IN THIS ASSIGNMENT), NO PARTY SHALL BE LIABLE TO ANY OTHER PARTY FOR, AND EACH PARTY HEREBY RELEASES THE OTHER PARTIES FROM, ANY PUNITIVE, EXEMPLARY, SPECIAL, CONSEQUENTIAL, INCIDENTAL OR INDIRECT DAMAGES (INCLUDING LOSS OF REVENUE, LOSS OF PROFIT, LOSS OF USE (INCLUDING PARAFFIN AND HYDRATE DAMAGE), COST OF CAPITAL, COST OF SUBSTITUTE EQUIPMENT, FACILITIES, SERVICES OR REPLACEMENT POWER, DEFERRED PRODUCTION, LOSS OF PRODUCTION, LOSS OF FLOWLINES, LOSS OF OR DAMAGE TO WELLS OR RESERVOIRS AND LOSSES RESULTING FROM FAILURE TO MEET OTHER CONTRACTUAL COMMITMENTS OR DEADLINES AND DOWNTIME OF FACILITIES OR VESSELS) ARISING OUT OF OR IN ANY WAY RELATED TO THIS ASSIGNMENT OR ANY TRANSACTION CONTEMPLATED HEREBY, WHETHER IN CONTRACT, TORT OR OTHERWISE.

[Signature pages follow.]

IN WITNESS WHEREOF, the Parties have caused this Assignment to be duly executed as of the Execution Date.

FPS OWNER

King's Quay FPS LLC

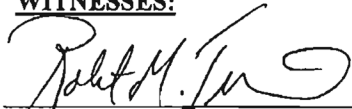
By: X 
Name: Daniel R. Revers
Title: President


STATE/Commonwealth of Massachusetts
PARISH/COUNTY OF Suffolk

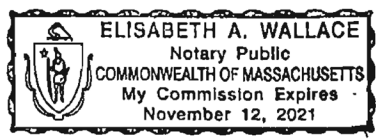
BEFORE ME, the undersigned Notary Public duly commissioned and qualified in and for the aforesaid State and County, personally came and appeared Daniel R. Revers, who being first duly sworn, declared and acknowledged unto me, Notary, and the undersigned witnesses, that he is the President of KING'S QUAY FPS LLC, a Delaware limited liability company, and that in such capacity and on behalf of such limited liability company, he signed and executed the above and foregoing ASSIGNMENT OF OVERRIDING ROYALTY (MORMONT PROSPECT), by authority of the members of said limited liability company, and said appearer acknowledged said instrument to be the free act and deed of said limited liability company for the purposes and considerations therein expressed.

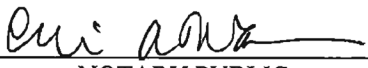
IN WITNESS WHEREOF, this instrument is executed in the presence of the undersigned witnesses and me, Notary, on this 17 day of March, 2021.

WITNESSES:


Printed Name: ROBERT M. TREVISANI, CPA


Printed Name: HAYES WINK





NOTARY PUBLIC
Name: Elisabeth A. Wallace
Notary/Bar No.: _____
My Commission Expires: _____



[Signature Page to ORRI – Mormont Prospect]

PRODUCER

ILX Prospect Mormont, LLC

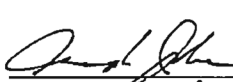
By: 
Name: Fritz L. Spencer, III
Title: Director


STATE/Commonwealth of Texas
PARISH/COUNTY OF Harris

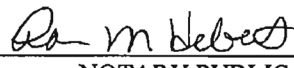
BEFORE ME, the undersigned Notary Public duly commissioned and qualified in and for the aforesaid State and County, personally came and appeared Fritz L. Spencer, III, who being first duly sworn; declared and acknowledged unto me, Notary, and the undersigned witnesses, that he is the Director of ILX PROSPECT MORMONT, LLC, a Delaware limited liability company, and that in such capacity and on behalf of such limited liability company, he signed and executed the above and foregoing ASSIGNMENT OF OVERRIDING ROYALTY (MORMONT PROSPECT), by authority of the members of said limited liability company, and said appearer acknowledged said instrument to be the free act and deed of said limited liability company for the purposes and considerations therein expressed.

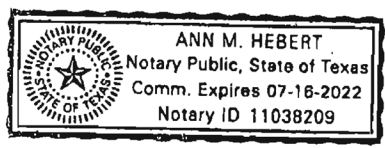
IN WITNESS WHEREOF, this instrument is executed in the presence of the undersigned witnesses and me, Notary, on this 15th day of March, 2021.

WITNESSES:


Printed Name: Daniel Jelen


Printed Name: Leah Bramlett

1st 
NOTARY PUBLIC
Name: Ann M. Hebert
Notary/Bar No.: 11038209
My Commission Expires: 7-16-2022



[Signature Page to ORRI – Mormont Prospect]

SCHEDULE I

PRODUCER NOTICE INFORMATION

ILX Prospect Mormont, LLC
1254 Enclave Parkway, Suite 600
Houston, TX 77077
Attn: David Jaben – Commercial
Daniel Gulino – Senior Vice President
Telephone: (281) 293-8488
Email: djaben@ridgewood.com
dgulino@ridgewood.com

ATTACHMENT A

SCHEDULE OF MORMONT LEASES

	RECORD TITLE INTEREST OWNERS
That certain Oil and Gas Lease of Submerged Lands under the Outer Continental Shelf Lands Act, bearing Serial No. OCS-G 35662, effective as of June 1, 2015, between the United States of America, as Lessor, and Houston Energy L.P., et al., as Lessees, covering all of Block 478, Green Canyon, OCS Official Protraction Diagram, NG 15-03, containing approximately 5,760.00 acres, more or less.	Murphy Exploration & Production Company – USA 34.00% Red Willow Offshore, LLC 22.50% Ridgewood Mormont, LLC 17.00% ILX Prospect Mormont, LLC 17.00% HEDV Mormont, LLC 5.50% CL&F Offshore LLC 4.00%

ATTACHMENT B
FORM OF RELEASE OF OVERRIDING ROYALTY
(See attached.)

County/Parish of _____

State of _____

RELEASE OF OVERRIDING ROYALTY

This Release of Overriding Royalty Payment, dated effective _____, is granted by King's Quay FPS LLC.

RECITALS

A. By an Assignment of Overriding Royalty (Mormont Prospect), made effective as of [●] (the "Assignment"), _____ ("Producer") assigned King's Quay FPS LLC ("FPS Owner") a certain Overriding Royalty affecting and encumbering Producer's interest in the Mormont Leases described therein. The Assignment is attached hereto as Exhibit A.

B. The Assignment is recorded in the Conveyance and Mortgage records of _____ Parish, Louisiana at _____.

C. King's Quay FPS LLC acknowledges that the Assignment has terminated.

RELEASE

King's Quay FPS LLC hereby acknowledges that the Assignment has terminated and hereby RELEASES, DISCHARGES, SURRENDERS, CANCELS and EXTINGUISHES the Overriding Royalty created by the Assignment, and any and all rights of King's Quay FPS LLC under the Assignment, and hereby instructs the Clerk of Court of _____ Parish to cancel the Assignment as recorded in the Mortgage and Conveyance records of _____ Parish at _____.

Witnesses:

King's Quay FPS, LLC

Name:

By:

Its:

Date:

Name:

Notary Public

Printed Name: _____

Notarial ID No. or Bar Roll No.: _____

My commission expires _____