



May 3, 2023

Attn: US Department of Interior  
Bureau of Ocean Energy Management  
Gulf Of Mexico OCS Region  
1201 Elmwood Park Boulevard,  
New Orleans, LA 70123-2394  
Attn: Adjudication Section

Re: Assignment of Overriding Royalty Interest  
Non-Required Filing for Leases: OCS-G 36492, OCS-G-32954, OCS-G 36104, OCS-G 32964

Dear Adjudication Section:

Enclosed please find the following item that we ask you to file in the Non-Required File pertaining to ***all of the Following Lease Numbers:***

OCS-G 36492	OCS-G-32954	OCS-G 36104
OCS-G 32964		

1. **Assignment of Overriding Royalty Interest** by and between **Equinor Gulf of Mexico LLC (#02748)** and **Repsol E&P USA LLC (#02805)** effective March 15, 2023. **Please file in Category 7- Contracts, Agreements and Conveyances.**

Enclosed is the Pay.Gov Receipt (Agency Tracking ID: 76415771355), in the Total amount of \$136.00, for payment of the filing fee.

If you should have any questions, please don't hesitate to call me 832-330-4417 or email me at [mcisn@equinor.com](mailto:mcisn@equinor.com).

Sincerely,

*Madeline Cisneros*

Madeline Cisneros  
Principle Land Analyst

**ASSIGNMENT OF OVERRIDING ROYALTY INTEREST**

UNITED STATES OF AMERICA OUTER CONTINENTAL SHELF GULF OF MEXICO	§ § §	KNOW ALL MEN BY THESE PRESENTS
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For and in consideration of the mutual covenants and conditions herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Repsol E&P USA LLC, hereinafter sometimes referred to as “**Assignor**”, does hereby grant, bargain, assign, sell, transfer and convey, by this conveyance (“**ORRI Assignment**”), unto Equinor Gulf of Mexico LLC, hereinafter sometimes referred to as “**Assignee**”, subject to the provisions set forth herein below, an overriding royalty interest equal to: two percent of eight-eighths (2% of 8/8ths) on all Production, proportionately reduced by the record title interest conveyed by Equinor Gulf of Mexico LLC to Repsol E&P USA LLC in each Lease by the Assignment Agreement (defined herein), which overriding royalty interest is due on the oil, gas, casinghead gas, condensate, distillate, gaseous substances and all other hydrocarbons (“**Production**”) produced, saved, removed and sold from, or attributable to each of the following described federal Outer Continental Shelf Oil and Gas Lease(s) (the “**Lease(s)**”):

Area	Block	OCS-G	Effective Date	Expiration Date	Net Overriding Royalty
Alaminos Canyon	335	36492	06/01/2019	05/31/2029	.3825%
Alaminos Canyon	380	32954	02/01/2009	01/31/2019	.3825%
Alaminos Canyon	381	36104	12/01/2017	11/30/2027	.3825%
Alaminos Canyon	424	32964	02/01/2009	01/31/2019	.3825%

Such overriding royalty interest hereinafter shall be referred to as the “**Overriding Royalty**”.

**TO HAVE AND TO HOLD** the Overriding Royalty conveyed herein unto Assignee, its successors, and assigns, are subject to all terms, covenants and conditions contained in that certain Assignment Agreement effective March 15, 2023, by and between Assignor and Assignee (the “**Assignment Agreement**”). This ORRI Assignment is made “**AS IS**”, “**WHERE IS**”, and for the consideration described in the Assignment Agreement, and Assignor shall warrant and defend the title to the Overriding Royalty unto Assignee against all claims arising by, through and under said Assignor, but not otherwise, and is accepted without warranty of title, express, statutory, or implied. Assignee shall have the right of full substitution and subrogation in and to any and all rights and actions of warranty which Assignor or Assignor’s Affiliates or subsidiaries may have against any and all preceding owners or vendors of the Lease(s). The terms, covenants and conditions of the Assignment Agreement, a copy of which may be obtained from Assignor at the above referenced addresses if the Assignor and Assignee agree to disclose the Assignment Agreement, are, to the extent applicable, incorporated herein by reference and if there is a conflict between the provisions of the Assignment Agreement and this ORRI Assignment, the provisions of the Assignment Agreement shall control. This ORRI Assignment is also subject to the following terms and provisions, to wit:

1. The value of Production which is produced, saved and sold from the lands covered by the Lease(s)



and as to which payments to Assignee are made hereunder shall be computed and paid at the same time and in the same manner as the Lessor royalty is computed and paid under the applicable Lease (but without regard to any royalty relief, reduction or suspension under the Deep Water Royalty Relief Act or any other statute providing for royalty relief, reduction or suspension, whether presently or hereafter enacted or made applicable to the Lease(s)). The Overriding Royalty shall be paid free of all cost or expense of development or operations, except that Assignor may deduct any transportation costs and other costs or charges incurred in making oil, gas, or liquid hydrocarbons ready or available for market, provided that such costs are deductible from the Lessor's royalty under the terms of the Lease(s) or regulations applicable thereto. However, in no event and under no circumstances shall Assignee ever have any rights, except those expressly conferred herein or otherwise arising under applicable law, which are conferred upon the U. S. Department of Interior ("**DOI**") as Lessor ("**Lessor**") under the Lease(s).

2. The ORRI Assignment and conveyance of the Overriding Royalty shall never be deemed as imposing any obligation upon Assignor, or their respective successors or assigns, to conduct any drilling operations whatsoever upon the Lease(s), or to maintain any such operations once begun, or to continue production of oil or gas after once established, nor to protect the Lease(s) from drainage, nor to maintain the Lease(s) in effect by payment of delay rentals except as required by the Assignment Agreement, minimum royalties, drilling operations or otherwise, but all operations, if any, on the Lease(s) and the extent and duration thereof, as well as the preservation of the Lease(s) by rental payments or otherwise as required by the Assignment Agreement, shall be solely at the will of Assignor and the Overriding Royalty hereby conveyed shall be paid only if and when there is any production of oil or gas from the Lease(s) in accordance with the terms hereof. Nothing herein shall be construed to establish or create any express or implied covenants on behalf of Assignor to market any production derived from or attributable to the Lease(s) or to establish or create any of the express or implied covenants normally extended to a lessor of a mineral lease or to a working interest owner in a joint venture.
3. Assignor shall have the right and power to combine, pool, co-develop or unitize the Lease(s), or any portion(s) thereof, and the leasehold estate and overriding royalty ownership therein, including the Overriding Royalty conveyed hereby, with other lease(s) in the vicinity thereof when and as often as in Assignor's judgment it is necessary or advisable to do so in order to properly explore, develop and operate the Lease(s) to facilitate the orderly development of the Lease(s) or to comply with the requirements of any law or governmental order or regulation relating to the spacing of wells for proration of the production therefrom. For purposes of computing the Overriding Royalty conveyed hereby, there shall be allocated to the said Overriding Royalty included in such pool or unit a pro rata portion of the oil, gas and other minerals produced from the pool or unit on the same basis that the production from the pool or unit is allocated to the Lease(s) under the unit agreement covering the Lease(s). It is agreed that Assignee shall receive, and will accept, on production from a pool or unit so pooled or unitized, only such proportion of the Overriding Royalty hereinabove specified as is allocated to the Lease(s) to which the Overriding Royalty apply/ies. It is understood and agreed that no formal pooling or declaration need be filed with respect to any such pool or unit, but only that the Lease(s) so subjected to a pool, unit or other cooperative agreement for the development of a common reservoir is as may be approved by the respective Lessor.
4. Notwithstanding anything herein to the contrary, the Overriding Royalty shall apply to, and only apply to Production produced, saved, removed and sold from (and/or attributable to) the Lease(s)



and shall not apply to: (i) oil, gas and associated liquid hydrocarbons lost, including as a result of a blowout or other uncontrolled flow above the seabed; (ii) oil and gas flared or vented with volumes measured and adjusted for the platform and/or the DOI commingling approval; (iii) oil and gas used as fuel on the platform in support of producing, handling, transporting, and processing the oil and gas derived from or attributable to the Lease(s) with volumes measured and adjusted in accordance with any measurement and allocation agreement for the platform / infrastructure and/or DOI commingling approval; and (iv) other than the Production produced, saved, removed and sold from (and/or attributable to) the Lease(s) or the proceeds therefrom accruing to Assignor as a result of their respective ownership in the Lease(s) or contract(s) applicable thereto, benefits from and including, but not limited to, payments received pursuant to production handling agreements and platform space agreements, insurance settlement, and take or pay payments or settlement under or relating to gas sales contracts, contract buydowns and the like. All ad valorem, production, and other taxes chargeable against the Overriding Royalty's ownership or production shall be paid by Assignee.

5. Assignee, upon reasonable request, shall have the right to audit all records of Assignor relating to Assignee's Overriding Royalty Interest; provided, however, that all payments shall be deemed correct and no adjustments shall be made after the expiration of two (2) years for any payments (except as to payments for which an objection is raised within said two-year period). Assignee shall be provided copies, upon written request to the designated operator of the Lease(s), of all pertinent agreements describing its audit rights and Assignor shall make reasonable efforts to afford Assignee the opportunity to participate in any joint audit of the Lease(s) or any platform / infrastructure that may be conducted by non-operators.
6. Under no circumstances shall the Assignor be liable to the Assignee or the Assignee liable to the Assignor for loss of profit, loss of reserves, loss of reservoir, business interruption, punitive damages or consequential or indirect damages of whatever nature relating to or in any way connected with this ORRI Assignment.
7. The provisions hereof shall inure to the benefit of and be binding upon the Assignor and Assignee and their respective successors or assigns; however, no change or division in the ownership of said Overriding Royalty shall be binding on Assignor until thirty (30) days after Assignor shall have been furnished with a certified copy or copies of the recorded instrument or instruments evidencing such change in ownership. Assignee covenants and agrees that the Assignment Agreement and this ORRI Assignment shall be referenced in any further assignment by Assignee and its successors and assigns and the covenants, obligations and agreements contained in this ORRI Assignment and in the Assignment Agreement, to the extent related to the Overriding Royalty, shall be assumed by any such future Assignees and construed as covenants running with the land and the Lease(s) for the benefit of the Assignor and Assignee.
8. The obligations, duties, and liabilities of Assignor under this ORRI Assignment are individual or several and are not joint and several, or collective.
9. This ORRI Assignment may be executed by signing the original or a counterpart thereof. If this ORRI Assignment is executed in counterparts, all counterparts taken together shall have the same effect as if all the Parties had signed the same instrument, but no Party shall be bound to this ORRI Assignment unless and until all Parties have executed the original or a counterpart to the original.

IN WITNESS WHEREOF, this ORRI Assignment is executed by the Parties hereto on the date shown in their respective acknowledgments hereto but made effective for all purposes as of the 15<sup>th</sup> day of March, 2023 (the "Effective Date").

**WITNESSES:**



Printed Name: Eowyns Humber



Printed Name: Esmeralda Vega

**Assignor:**

**Repsol E&P USA LLC**

By: 

Name: Scott Smith

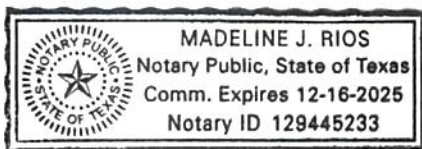
Title: Vice President – Land, US Gulf of Mexico


Date: 4/12/23

**ACKNOWLEDGEMENT**

STATE OF TEXAS  
MONTGOMERY COUNTY

On this 12 day of April, 2023, before me appeared Scott Smith, to me personally known who, being by me duly sworn, did say that he is Vice President – Land, US Gulf of Mexico for Repsol E&P USA LLC, a Texas Limited Liability Company, and that said instrument was executed on behalf of said Company by authority of its Board of Directors, and the said appearer acknowledged said instrument to be the free act and deed of said Company.



  
Notary Public

My Commission Expires: 12/16/25

WITNESSES

*Edwino Hansen*

Printed Name: Edwino Hansen

*Esmeralda Vega*

Printed Name: Esmeralda Vega

Assignee:

Equinor Gulf of Mexico LLC

By: *Alyssa Karotkin*

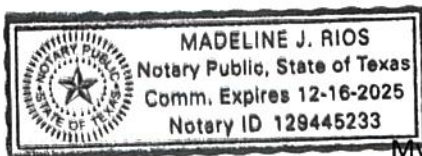
Name: Alyssa Karotkin

Title: Leader Land

Date: 4/12/23

STATE OF TEXAS  
HARRIS COUNTY

On this 12 day of April, 2023, before me appeared Alyssa Karotkin, to me personally known who, being by me duly sworn, did say that [s]he is Leader – Land for Equinor Gulf of Mexico LLC, a Delaware Limited Liability Company, and that said instrument was executed on behalf of said Company by authority of its Board of Directors, and the said appearer acknowledged said instrument to be the free act and deed of said Company.



*Madeline J. Rios*  
Notary Public

My Commission Expires: 12/16/2025