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JUNEAU OIL & GAS, LLC

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July 12, 2023

[boemadjudication@boem.gov](mailto:boemadjudication@boem.gov)

Department of the Interior  
BOEM Adjudication Office  
1201 Elmwood Park Boulevard – MS 5421  
New Orleans, LA 70123-2390  
Attn: Adjudication Unit

**Re: Assignment of Overriding Royalty Interest  
Vermilion Area Block 178 (OCS-G 37437)**

Ladies and Gentlemen:

Enclosed please find one (1) copy of the following Assignment of Overriding Royalty Interest (hereinafter referred to as "Assignment"):

*Assignment of Overriding Royalty Interest dated effective June 1, 2023, by and between Juneau Oil & Gas, LLC, as Assignor to Lester E. Clark, Jr., as Assignee covering the above referenced lease and block.*

Please file the enclosed Assignment as a **Category 5** document in the non-required files for the referenced leases. Also enclosed is a pay.gov receipt in the amount of \$34.00 as the required filing fee.

Please call (713.906.6507) or email ([lclark@juneauexploration.com](mailto:lclark@juneauexploration.com)) if you have any questions or need anything else at all.

Sincerely yours,

**Juneau Oil & Gas, LLC**



Les Clark  
Vice-President-Land

Enclosure

**ASSIGNMENT OF OVERRIDING ROYALTY INTEREST**

**THE UNITED STATES OF AMERICA   §  
  §   KNOW ALL MEN BY THESE PRESENTS  
OUTER CONTINENTAL SHELF       §**

**WHEREAS, JUNEAU OIL & GAS, LLC** a Texas limited liability company, is the owner of certain interests in and to the oil and gas lease listed on the Exhibit "A" attached hereto and made a part hereof (hereinafter referred to as the "Lease").

**NOW, THEREFORE, JUNEAU OIL & GAS, LLC** (hereinafter referred to as "Assignor"), for and in consideration of the mutual advantages accruing to the parties hereto, and for Ten and NO/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby **TRANSFER, ASSIGN, SET OVER AND DELIVER** unto **LESTER E. CLARK, JR.**, 3721 Locke Ln, Houston, Texas 77027 (hereinafter referred to as "Assignee"), an overriding royalty interest equal to 0.12000% of 8/8ths in and to all oil, gas, other hydrocarbons, and all other minerals produced, saved and sold from the lands covered by the Lease.

**TO HAVE AND TO HOLD** said overriding royalty interest unto Assignee, its successors and assigns; and for the same consideration Assignor agrees to warrant and defend title to said overriding royalty interest unto Assignee against all claims arising by, through and under Assignor, but not otherwise. This Assignment is further subject to the terms and conditions of the Lease and the following provisions:

**I.**

Fuel oil and gas for operating the premises, and for treating and handling the products therefrom (and the proportionate part of fuel oil and gas consumed in a central plant, should the Lease be operated jointly with other premises through the use of such plant) shall be deducted before said overriding royalties are computed. All ad valorem, production and other taxes chargeable against the overriding royalty ownership or production shall be paid by Assignee. If a Lease covers an interest in the oil, gas and other minerals in and under the lands described therein less than the full and undivided mineral fee interest in said land, then the overriding royalties payable to Assignee in that Lease shall be proportionately reduced in accordance with the ratio that the mineral interest in said land covered by the Lease bears to the full and undivided mineral fee interest in such land.

II.

The conveyance of the foregoing overriding royalty on oil, gas and other minerals shall never be deemed as imposing any obligation upon Assignor, or its successors or assigns, to conduct any drilling operations whatsoever upon the lands covered by the Lease, or to maintain any such operations once begun, or production of oil or gas after once established, nor to protect said lands from drainage nor to maintain the Lease in effect by payment of delay rentals, drilling operations or otherwise, but all operations, if any, on said premises and the extent and duration thereof, as well as the preservation of the leasehold estates by rental payments or otherwise, shall be solely at the will of Assignor and the overriding royalties hereby conveyed shall be paid only if and when there is any production of oil or gas from the Lease in accordance with the terms hereof.

III.

Assignor shall have the right and power to combine, pool or unitize the lands covered by the Lease, or any portion thereof, and the leasehold estate and overriding royalty ownership therein, including the overriding royalty conveyed hereby, with other land, lease, mineral and/or royalty estates 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 said premises to facilitate the orderly development of such interests 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. Any unit so formed shall be designed to allocate interests equitably among all parties affected thereby, including Assignee. For purposes of computing the overriding royalty interest conveyed hereby, there shall be allocated to the said overriding royalty included in such unit a pro rata portion of the oil, gas and other minerals produced from the pooled unit on the same basis that production from the pool or unit is allocated to a Lease. It is agreed that Assignee shall receive and will accept on production from a unit so pooled or unitized only such proportion of the overriding royalties hereinabove specified as is allocated to a Lease as to which this overriding royalty applies. The interest in any such pool or unit attributable to the overriding royalty interest included therein shall be subjected to said overriding royalty interest in the same manner and with the same effect as if such pool or unit and the interest of Assignor therein were specifically described in this Assignment. 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 be subjected to a pool, unit or other cooperative agreement for the development of a common reservoir.

IV.

The value of oil and gas production which is produced, saved and sold from the lands covered by the Lease and as to which payments to Assignee are made hereunder shall be the same as that upon which the payment of royalties to the Lessor under the Lease is based, provided, however, the overriding royalty interest shall never be subject to, or in any way adversely affected or diminished by, any past, present or future rules or regulations promulgated by the BOEM (or any other authority having jurisdiction over the lands) providing for relief, reduction or suspension of the Lessor's royalty. Assignor may deduct any third party transportation costs and other costs or charges incurred in making oil or gas ready or available for market at the point of sale provided that such costs are deductible from the Lessor's royalty under the terms of the Leases 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 federal or state law, which are conferred upon the government, as Lessor under the Lease, including but not limited to the right of the government to take gas or gaseous hydrocarbons from the Lease in kind.

V.

In the event it is determined that the price for the sale of oil, gas or other hydrocarbons and upon which payments have been made hereunder, is in excess of that allowed by rule, order, statute, regulation or other governmental or regulatory determination, Assignee agrees that Assignor shall be allowed to recover, out of the overriding royalties payable hereunder, such amounts as may have been overpaid to Assignee hereunder; provided, however, that prior to commencing any such recoupment, Assignor shall provide Assignee with notice of its intent to institute such recoupment with the details, reasons and amount relating thereto; and provided further that such recoupment may never be made out of more than fifty percent (50%) of the amount payable to Assignee during any month or other applicable accounting period. Such recoupment shall not prejudice the right of Assignee to institute, nor be a bar to Assignee's instituting, any action to contest or dispute the liability of Assignee for any alleged overpayment of overriding royalties hereunder.

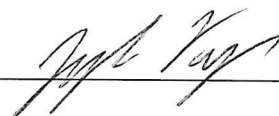
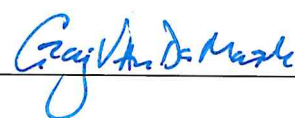
VI.

The provisions hereof shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors or assigns; however, no change or division in the ownership of said overriding royalty interest 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.

**IN WITNESS WHEREOF**, this Assignment is executed by Assignor and Assignees on the date shown in their respective acknowledgment, but made effective for all purposes as of the 1<sup>st</sup> day of June 2023.

**ASSIGNOR**

**WITNESSES:**

  
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\_\_\_\_\_

**JUNEAU OIL & GAS, LLC**

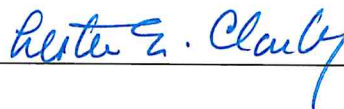
By:   
\_\_\_\_\_  
Les Clark  
Vice President

**ASSIGNEE**

**WITNESSES:**

  
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\_\_\_\_\_

**LESTER E. CLARK JR.**

By:   
\_\_\_\_\_

**STATE OF TEXAS  
COUNTY OF HARRIS**

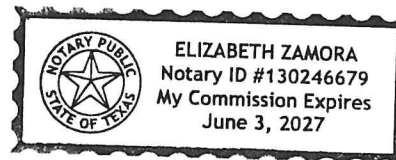
On this 19 day of July, 2023, before me personally appeared Les Clark to me personally known, who being by me duly sworn, did say that he is a Vice President of Juneau Oil & Gas, LLC, a Texas limited liability company, and that said instrument was signed on behalf of said company by authority of its managers/members, and said appearer acknowledged that he executed the same as the free act and deed of said company.

In witness whereof, I have hereunder to set my official hand and seal on the date hereinabove written.

My commission expires:

June 3, 2027

Elizabeth Zamora  
Notary Public in and for the State of Texas



**STATE OF TEXAS  
COUNTY OF HARRIS**

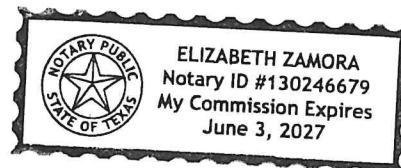
On this 19 day of July, 2023, before me personally appeared Lester E. Clark, Jr., to me personally known, who being by me duly sworn did say that he signed the foregoing instrument as his free act and deed.

In witness whereof, I have hereunder to set my official hand and seal on the date hereinabove written.

My commission expires:

June 3, 2027

Elizabeth Zamora  
Notary Public in and for the State of Texas



**EXHIBIT "A"**

**Attached to and made a part of Assignment of Overriding Royalty Interest between Juneau Oil & Gas, LLC and Lester E. Clark Jr.**

**LEASES**

1. Oil and Gas Lease of Submerged Lands bearing Serial No. OCS-G 37437, dated effective as of June 1, 2023, between the United States of America, as Lessor, and Juneau Oil & Gas, LLC, as Lessee, covering all of Block 178, Vermilion Area, as shown on OCS Leasing Map, Louisiana Map No. 3, containing approximately 5,000 acres.

**END OF EXHIBIT "A"**