



Angela Harmon
Land Analyst

RECEIVED
ADJUDICATION SECTION
APR 25 2024

April 25, 2024

VIA ADJUDICATION EMAIL

Bureau of Ocean Energy Management
GOM Adjudication Section – GM276A
1201 Elmwood Park Boulevard
New Orleans, LA 70123

ATTN: Adjudication Section

RE: Memorandum of Operating Agreement and Financing Statement (Far South)
Chevron U.S.A. Inc. (GOM Company No. 00078)
OCS-G 37531, Green Canyon Block 540,
OCS-G 36297, Green Canyon Block 584
OCS-G 37530, Green Canyon Block 539

Ladies and Gentlemen:

Enclosed please find one (1) original and (1) copy of a Memorandum of Operating Agreement and Financing Statement dated effective November 1, 2023, by BP Exploration & Production Inc. (02481) as Operator, Chevron U.S.A. Inc. (00078), and Talos Energy Offshore LLC (03247) as the Non-Operating Parties, hereinafter referred to as “Memorandum of Operating Agreement”. Please record this letter and the Memorandum of Operating Agreement in the files maintained for the following leases:

- OCS-G 37531, Green Canyon Block 540
- OCS-G 36297, Green Canyon Block 584
- OCS-G 37530, Green Canyon Block 539

This letter and document should be placed in your document imaging system under “Document Type No. 1” “Mortgage, Deed of Trust, Security Agreement”. I have enclosed a pay.gov receipt for the filing fees in the amount of \$102.00 for the filing of the Memorandum of Operating Agreement.

Thank you for your consideration and processing of this request. Please contact me at the number below should you need any additional information.

Respectfully,

Angela Harmon

Angela Harmon
Land Analyst – Offshore

Enc.

Chevron U.S.A. Inc.
Chevron North America E&P Land
1500 Louisiana, HOU150/20195
Houston, TX 77002
Tel 713-372-5612
angelaharmon@chevron.com

**MEMORANDUM OF OPERATING AGREEMENT, MORTGAGE, SECURITY AGREEMENT, AND
FINANCING STATEMENT**

- 1.0 This Memorandum of Operating Agreement, Mortgage, Security Agreement, and Financing Statement (this "Memorandum") is effective as of the effective date of the Operating Agreement referred to in Paragraph 2.0 below (the "Effective Date") and is executed by BP Exploration & Production Inc. (the "Operator"), whose taxpayer identification number is 34-1835527 and whose mailing address is 501 WestLake Park Blvd., Houston, Texas 77079, Chevron U.S.A. Inc. whose taxpayer identification number is 25-0527925 and whose mailing address is 1500 Louisiana St. Houston, Texas 77002, and Talos Energy Offshore LLC whose taxpayer identification number is 45-4215065 and whose mailing address is 333 Clay Street, Houston, Texas 77079 (the "Non-Operators").
- 2.0 The Operator and the Non-Operators are parties to that certain Far South Prospect Operating Agreement, dated effective November 1, 2023 (the "Operating Agreement"), providing for the exploration, development and production of crude oil, natural gas and associated substances from the OCS blocks, or portions thereof, and OCS federal oil and gas lease(s), or portions thereof, described in Exhibit "A" of the Operating Agreement (hereinafter called the "Contract Area") (such OCS blocks and OCS federal oil and gas lease(s) being more particularly described in Attachment "1" to this Memorandum) and designating BP Exploration & Production LLC, as the Operator, to conduct such operations for itself and the undersigned Non-Operators, by and within the terms of the Operating Agreement. All such OCS federal leases (or portions thereof) identified in Exhibit "A" of the Operating Agreement and Attachment "1" to this Memorandum and any future oil and gas leases covering OCS blocks or portions thereof that may be acquired by the Operator and the Non-Operators and added to the Contract Area as substitutions for, or replacements of, existing leases or as leases acquired in the future covering OCS blocks or portions thereof included in the Contract Area are hereinafter collectively called the "Leases." Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Operating Agreement. The liability of the Parties under the Operating Agreement is several and not joint or collective. Each party to the Operating Agreement shall only be responsible for its obligations and shall be liable for its share of Costs as provided therein.
- 3.0 Among other provisions, the Operating Agreement (i) provides for certain liens, mortgages, pledges and security interests to secure payment by the Parties of their respective share of costs and performance of other obligations under the Operating Agreement, (ii) contains an Accounting Procedure, which establishes interest to be charged on indebtedness, certain costs, and other expenses under the Operating Agreement at the rate set forth therein, and which provides for other matters, (iii) includes non-consent clauses which establish that parties who elect not to participate in certain operations shall be deemed to have relinquished their interest in production until the carrying consenting parties recover their costs of such operations plus a specified amount, or forfeit their interest in certain Leases or portions thereof involved in such operations, (iv) grants each party to the Operating Agreement the right to take in kind its proportionate share of all oil and gas produced from the Contract Area, (v) includes a Gas Balancing Agreement which is attached as Exhibit "D" to the Operating Agreement and (vi) grants certain preferential rights to purchase concerning Transfers of Interest.
- 4.0 The Operator hereby certifies that a true and correct copy of the Operating Agreement is on file and is available for inspection by third parties at the offices of the Operator at the address set forth in this Memorandum. The purpose of this Memorandum is to more fully describe the liens, mortgages, pledges and security interests provided for in the Operating Agreement, and to place third parties on notice thereof, and to restate, grant and convey the same to the extent required to perfect the same fully in accordance with applicable state law.
- 5.0 In addition to any other security rights and remedies provided for by law with respect to services rendered or materials and equipment furnished under the Operating Agreement, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in consideration of the covenants and mutual undertakings of the Operator and the Non-Operators set forth in the Operating Agreement, the Operator and the Non-Operators hereby agree as follows:
 - 5.1 To secure the complete and timely performance of and payment by the Non-Operators of all obligations and indebtedness of every kind and nature, whether now owed by such Non-Operators or hereafter arising, pursuant to the Operating Agreement, the Non-Operators hereby grants to the Operator a first lien, mortgage, hypothecation, and pledge of and over all of its rights, titles, and interests in and to (a) the Leases, (b) the oil and gas 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. To the extent applicable state law requires liquidation of the same for the

mortgage to be enforceable, the maximum amount of the obligation to be secured from time to time by each such lien and mortgage shall be Five Hundred Million Dollars (\$500,000,000.00); otherwise the maximum amount of the obligation to be so secured shall be unlimited. Except as provided in the previous sentence (and then only to the extent such limitations are required by law), the entire amount of obligations and indebtedness of the Non-Operators to the Operator is secured hereby without limitation. Notwithstanding the foregoing maximum amount of Five Hundred Million Dollars (\$500,000,000.00), the liability of each Party under the Operating Agreement and this Memorandum and the mortgage, lien, and security interest granted hereby shall be limited to (and Operator shall not be entitled to enforce the same against each Party 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 or in this Memorandum) outstanding and unpaid and that are attributable to or charged against the interest of such Party pursuant to the Operating Agreement

5.2 To secure the complete and timely performance of and payment by the Non-Operators of all obligations and indebtedness, whether now owed by such Non-Operators or hereafter arising, pursuant to the Operating Agreement, the Non-Operators hereby grants to the 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 included within 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 Production Systems, wells, facilities, fixtures, other corporeal property whether movable or immovable, whether now or hereafter placed on the lands or offshore blocks covered by the 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 the Non-Operators in and to the oil, gas and associated substances produced from or attributable to the Leases or 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 susceptible under applicable law, the security interest granted by the Non-Operators hereunder covers: (a) all substitutions, replacements, and accessions to the property of such Non-Operators described herein and is intended to cover all of the rights, titles and interests of such Non-Operators in all personal or movable property now or hereafter located upon or used in connection with the Contract Area, whether tangible or intangible, corporeal or incorporeal; (b) all rights under any gas balancing agreement, farmout agreement, option farmout agreement, acreage and cash contributions, and conversion rights of such Non-Operators in connection with the Leases or the Contract Area, 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 the Non-Operators 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, 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 without limitation the following:

- (i) all of its rights, titles, and interests, whether now owned and or 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 Exhibit "A" of the Operating Agreement, 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, oil, casinghead gas, and gas sales, exchange, and processing contracts and agreements, including, without limitation, those contracts and agreements that are described on Exhibit "A" of the Operating Agreement, 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 any of the Leases or the Contract Area.

- 5.3 To the extent susceptible under applicable law, the mortgage, lien and the security interests granted in favor of the Operator herein shall secure the complete and timely performance of all obligations of such Non-Operators and payment of all Costs and other expenses charged to such Party under the terms and conditions of the Operating Agreement, together with (a) interest on such indebtedness, Costs, and other expenses at the rate set forth in Exhibit "C" (*Accounting Procedure*) or the maximum rate allowed by law, whichever is the lesser, (b) reasonable attorneys' fees, (c) court costs, and (d) other directly related collection costs. For clarity, there is no predetermined limit on potential obligations and liabilities pursuant to the Operating Agreement, and the mortgage, hypothecation, pledge, liens and security interests created under the Operating Agreement and this Memorandum are in addition to any and all rights and remedies under law. If any Non Operator does not pay such Costs and other expenses or completely and timely perform its obligations under this Agreement if still due after any applicable notice, the Operator shall have the additional right to (A) withhold delivery of such defaulting Non-Operator's Hydrocarbons and retain them for Operator's own account and ownership or (B) notify the purchaser or purchasers of the defaulting Non Operator's Hydrocarbon production and collect such Costs and other expenses out of the proceeds from the sale of the defaulting Non Operator's share of Hydrocarbon production until the amount owed has been paid. The Operator shall have the right to offset the amount owed against the proceeds from the sale of such defaulting Non-Operator's share of Hydrocarbon production. Any purchaser of such production shall be entitled to rely on the Operator's statement concerning the amount of Costs and other expenses owed by the defaulting Non-Operators and payment made to the Operator by any purchaser shall be binding and conclusive as between such purchaser and such defaulting Non- Operating Party.
- 5.4 This Memorandum (including a carbon, photographic, or other reproduction thereof and hereof) shall be filed for record in (a) the conveyance and mortgage records of the parish(es) adjacent to the offshore blocks contained within the Contract Area, (b) the non-required records of the Bureau of Ocean Energy Management, and (c) in the appropriate Uniform Commercial Code and/or Louisiana Commercial Laws-Secured Transactions, records as the case may be. All Parties who are signatories to the Operating Agreement as of the date this Memorandum is executed are identified on Attachment 1. The Operator is hereby authorized to further file such other forms of financing statements (including, without limitation, continuation statements) and to file this Memorandum, whether as an exhibit to such financing statements or otherwise, in such jurisdictions as it may deem necessary and appropriate to perfect and give notice of the security interests and lien rights intended to be conveyed hereby.
- 5.5 To secure the complete and timely performance of and payment by the Operator to the Non-Operators of all obligations and indebtedness of every kind and nature, whether now owed by Operator or hereafter arising, pursuant to the Operating Agreement, Operator hereby grants to the Non-Operators a first lien, mortgage, hypothecation, and pledge of and over all of its rights, titles, and interests in and to (a) the Leases, (b) the oil and gas 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. To the extent applicable state law requires liquidation of the same for the mortgage to be enforceable, the maximum amount of the obligation to be secured from time to time by each such lien and mortgage shall be Five Hundred Million Dollars (\$500,000,000.00); otherwise the maximum amount of the obligation to be so secured shall be unlimited. Except as provided in the previous sentence (and then only to the extent such limitations are required by law), the entire amount of obligations and indebtedness of the Operator to the Non-Operators is secured hereby without limitation. Notwithstanding the foregoing maximum amount of Five Hundred Million Dollars (\$500,000,000.00), the liability of each Party under the Operating Agreement and this Memorandum and the mortgage, lien, and security interest granted hereby shall be limited to (and the Non-Operators shall not be entitled to enforce the same against Operator 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 or in this Memorandum) outstanding and unpaid and that are attributable to or charged against the interest of Operator pursuant to the Operating Agreement
- 5.6 To secure complete and timely performance of and payment by the Operator of all obligations and indebtedness, whether now owed by the Operator or hereafter arising, pursuant to the Operating Agreement, the Operator hereby grants to the Non-Operators a continuing security interest in and 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 included within 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 Production Systems, wells, facilities, fixtures, other corporeal property whether movable or immovable, whether now or hereafter placed on the 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 the Operator in and to the oil, gas, and associated substances produced from or attributable to the Leases or 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 permissible under applicable law, the security interest granted by the Operator hereunder covers: (a)

all substitutions, replacements, and accessions to the property of the Operator described herein and is intended to cover all of the rights, titles and interests of the Operator in all personal or movable property now or hereafter located upon or used in connection with the Contract Area, whether tangible or intangible, corporeal or incorporeal; (b) all rights under any gas balancing agreement, farmout agreement, option farmout agreement, acreage and cash contributions, and conversion rights of the Operator in connection with the Leases or the Contract Area, the oil, gas, and associated substances produced from or attributable to the Leases, or the Contract Area, whether now owned or existing or hereafter acquired or arising, including, without limitation, all interests of the Operator in any partnership, tax partnership, limited partnership, association, joint venture, or other entity or enterprise that holds, owns, or controls any interest in the Contract Area; and (c) all rights, claims, general intangibles, and proceeds, whether now existing or hereafter acquired, in and to the contracts, agreements, permits, licenses, rights-of-way, and similar rights and privileges that relate to or are appurtenant to any of the Leases or the Contract Area, including without limitation 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 Exhibit "A" of the Operating Agreement, 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, oil, casinghead gas, and gas sales, exchange, and processing contracts and agreements, including, without limitation, those contracts and agreements that are described on Exhibit "A" of the Operating Agreement, 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 any of the Leases or the Contract Area.

Each party to the Operating Agreement paying its share of unpaid expenses pursuant to Article 6.3(C) (Unpaid Charges) of the Operating Agreement, shall, to obtain reimbursement thereof, be subrogated to the security rights described herein.

- 5.7 To the extent susceptible under applicable law, the mortgage, lien and the security interests granted in favor of the Non-Operators herein shall secure the complete and timely performance of all obligations of the Operator and payment of all Costs and other expenses charged to such Party under the terms and conditions of the Operating Agreement, together with (a) interest on such indebtedness, Costs, and other expenses at the rate set forth in Exhibit "C" (*Accounting Procedure*) or the maximum rate allowed by law, whichever is the lesser, (b) reasonable attorneys' fees, (c) court costs, and (d) other directly related collection costs. For clarity, there is no predetermined limit on potential obligations and liabilities pursuant to the Operating Agreement, and the mortgage, hypothecation, pledge, liens and security interests created under the Operating Agreement and this Memorandum are in addition to any and all rights and remedies under law. If the Operator does not pay such Costs and other expenses or completely and timely perform its obligations under this Agreement if still due after any applicable notice, each Non-Operators shall have the additional right to notify the purchaser or purchasers of the Operator's Hydrocarbon production and collect such Costs and other expenses out of the proceeds from the sale of the defaulting Operator's share of Hydrocarbon production until the amount owed has been paid. The Non-Operators shall have the right to offset the amount owed against the proceeds from the sale of the Operator's share of Hydrocarbon production. Any purchaser of such production shall be entitled to rely on the Non-Operator's statement concerning the amount of Costs and other expenses owed by the Operator and payment made to the Non-Operators by any purchaser shall be binding and conclusive as between such purchaser and the Operator.
- 5.8 For the purposes of the security interest in favor of the Non-Operators, this Memorandum (including a carbon, photographic, or other reproduction thereof and hereof) may be filed for record in be filed for record in (a) the conveyance and mortgage records of the parish(es) adjacent to the offshore blocks contained within the Contract Area, (b) the non-required records of the Bureau of Ocean Energy Management, and (c) the appropriate Uniform Commercial Code and/or Louisiana Commercial Laws-Secured Transactions, records as the case may be. All Parties who are signatories to the Operating Agreement as of the date this Memorandum is executed are identified on Attachment 1. Each Non-Operators is hereby authorized to further file such other forms of financing statements (including, without limitation, continuation statements) and to file this Memorandum, whether as an exhibit to such financing statements or otherwise, in such jurisdictions as it may deem necessary and appropriate to perfect and give notice of the security interests and lien rights intended to be conveyed hereby.

- 6.0 This Memorandum is to be filed or recorded, as the case may be, in (a) the conveyance records of the parish or parishes adjacent to the offshore blocks contained within the Contract Area to serve as notice of the existence of the Operating Agreement as a burden on the title of the Operator and the Non-Operators to their interests in and to the Leases and the Contract Area, (b) the mortgage records of the parish or parishes adjacent to the offshore blocks contained within the Contract Area, (c) the non-required records of the United States Department of the Interior Bureau of Ocean Energy Management with respect to each of the Leases, and (d) the appropriate Uniform Commercial Code records. All parties to the Operating Agreement are identified on Attachment "1" hereto. All farmors and option farmors, if any, who have granted support within the Contract Area are identified on Attachment "2" to be attached hereto if any such farmors have granted support within the Contract Area.
- 7.0 This Memorandum constitutes record notice and, upon the filing of same as contemplated herein, is intended to perfect each lien created or further evidence by the Operating Agreement or this Memorandum. If performance of any obligation under the Operating Agreement or payment of any indebtedness created thereunder does not occur or is not made when due under the Operating Agreement or upon default of any covenant or condition of the Operating Agreement, in addition to any other remedy afforded by law, each party to the Operating Agreement and any successor to such party by assignment, operation of law, or otherwise, shall have, and is hereby given and vested with, the power and authority to foreclose the lien, mortgage, pledge and security interest established in its favor in the Operating Agreement and herein in the manner provided by law and to exercise all rights of a secured party under the Uniform Commercial Code or otherwise available under applicable law.
- 8.0 Upon termination of the Operating Agreement and the satisfaction of all obligations and indebtedness established thereunder, on behalf of all parties to the Operating Agreement, the Operator shall file of record an appropriate release and termination of all security and other rights created under the Operating Agreement and this Memorandum. Upon the filing of such release and termination instrument, all benefits and obligations under this Memorandum shall terminate as to all parties who have executed or ratified this Memorandum. In addition, at any time prior to the filing of such release and termination instrument, the Operator and the Non-Operators shall have the right to file a continuation statement pursuant to the Uniform Commercial Code with respect to any financing statement filed in their favor under the terms of this Memorandum, and reinscribe this act in the appropriate records.
- 9.0 It is understood and agreed by the Parties hereto that if any part, term, or provision of this Memorandum is held by the courts to be illegal or in conflict with any applicable law governing the security rights granted in this Memorandum, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Memorandum did not contain the particular part, term or provision held to be invalid.
- 10.0 This Memorandum shall be binding upon and shall inure to the benefit of the Parties hereto and to their respective legal representatives, successors and permitted assigns. The failure of one or more persons owning an interest in the Contract Area to execute this Memorandum shall not in any manner affect the validity of the Memorandum as to those persons who execute this Memorandum.
- 11.0 A party having an interest in the Contract Area may ratify this Memorandum by execution and delivery of an instrument of ratification, adopting and entering into this Memorandum, and such ratification shall have the same effect as if the ratifying party had executed this Memorandum or a counterpart thereof. By execution or ratification of this Memorandum, such party hereby consents to its ratification and adoption by any party who acquires or may acquire any interest in the Contract Area.
- 12.0 This Memorandum may be executed or ratified in one or more counterparts and all of the executed or ratified counterparts shall together constitute one instrument. For purposes of recording, duplicate copies of this Memorandum with individual signature pages attached thereto are required to be filed of record by the Operator, one copy of each to be indexed in the name of the Operator, as grantor, and one copy of each to be indexed in the name of the Non-Operators, as grantor, and duplicate copies of this Memorandum with individual signature pages attached thereto shall be filed in the appropriate Uniform Commercial Code records, one filing for the Operator, as secured party, and another filing for the Non-Operators, as secured party. The respective addresses of the Operator, as both secured party and debtor, and the Non-Operators, as both debtor and secured party, at which information with respect to the security interests created in the Operating Agreement may be obtained, are set forth in Paragraph 1.0 of this Memorandum.
- 13.0 To the extent this transaction is governed by Louisiana law, this instrument, when filed for registry, is intended to function as both a filed agreement and a declaration and is intended to create a conventional mortgage as provided under Louisiana Civil Code, Articles 3287-3298.
- 14.0 The Operator and the Non-Operators hereby agree to execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, any instrument or take any action necessary or appropriate to effectuate the security rights of the Operating Agreement or any Exhibit, instrument, certificate or other document thereto, including without limitation this Memorandum.
- 15.0 Whenever the context requires, reference herein made to the single number shall be understood to include the plural, and the plural shall likewise be understood to include the singular, and specific enumeration shall not exclude the general, but shall be construed as cumulative.

- 16.0 For purposes of seizure and sale under Louisiana executory process procedures, the Non-Operators, as debtor and mortgagor, confesses judgment in favor of the Operator, as creditor and mortgagee, in the full amount of such Non-Operator's outstanding indebtedness secured hereby, in principal, interest, costs and attorneys' fees, if the same is not paid at maturity. For purposes of seizure and sale under Louisiana executory process procedures, Operator, as debtor and mortgagor, confesses judgment in favor of the Non-Operators, as creditor and mortgagee, in the full amount of Operator's outstanding indebtedness secured hereby, in principal, interest, costs and attorneys' fees, if the same is not paid at maturity. To the extent permitted under applicable Louisiana law, each party, as debtor and mortgagor, additionally waives: (A) the benefit of appraisal as provided in Articles 2332, 2336, 2723 and 2724 of the Louisiana Code of Civil Procedure, and all other laws with regard to appraisal upon judicial sale; (B) the notice of seizure as provided under Articles 2293 and 2721 of the Louisiana Code of Civil Procedure; (C) the three (3) days' delay provided under Articles 2331 and 2722 of the Louisiana Code of Civil Procedure; and (D) all other benefits provided under Articles 2331, 2722 and 2723 of the Louisiana Code of Civil Procedure.

The Non-Operators, as debtor and mortgagor, additionally agrees that, should Operator, as creditor and mortgagee, seek to enforce or foreclose its mortgage or other security rights, the Operator may appoint itself or a nominee as a Keeper of the collateral granted herein as provided under La. R.S. 9:5131 *et seq.* and La. R.S. 9:5136 *et seq.* Operator, as debtor and mortgagor, additionally agrees that, should the Non-Operators, as creditor and mortgagee, seek to enforce or foreclose its mortgage or other security rights, the Non-Operators may appoint itself or a nominee as a Keeper of the collateral granted herein as provided under La. R.S. 9:5131 *et seq.* and La. R.S. 9:5136 *et seq.* Each party, as debtor and mortgagor, further agrees that such a Keeper shall be entitled to reasonable and customary compensation, and an amount not to exceed one tenth of one (0.1%) percent of the total indebtedness of such party secured hereby outstanding at the time of foreclosure, the amount of which compensation shall also be secured by the lien of the mortgage and other security rights granted herein. Any Keeper of the collateral may exercise all rights and powers of the foreclosed party with respect to the collateral, either in the name of foreclosed party or otherwise, including, but without limiting the generality of the foregoing, the right to collect rents and proceeds of the collateral and perform any acts which the Keeper deems proper, in its sole discretion, to protect the security of the mortgage and other security rights granted herein. After deduction of all costs and expenses of operating and managing the collateral, including, but without limiting the generality of the foregoing, reasonable attorneys' fees, costs and disbursements, administration expenses, satisfaction of liens on any of the collateral, payment of royalties, taxes or other impositions, claims and insurance premiums, and invoices of persons for goods and services supplied to or for the benefit of any of the collateral, the Keeper may apply any proceeds received by it to payment of the indebtedness or performance of the obligations secured hereby.

Each party further agrees that, should it become necessary for a secured party to foreclose under the mortgage granted herein, all declarations of fact, which are made under an authentic act before a Notary Public in the presence of two witnesses, by a person declaring such facts to lie within his or her knowledge, shall constitute authentic evidence for purposes of executory process and also for purposes of La. R.S. 9:3509.1, La. R.S. 9:3504 (D)(6), and La. R.S. § 10:9-629, where applicable.

EXECUTED on the dates set forth below each signature but dated effective as of the Effective Date.

WITNESSES:





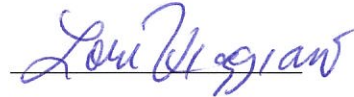
WITNESSES:





WITNESSES:





OPERATOR:

BP Exploration & Production Inc.

By:



Name: Matthew Dare

Title: Attorney-in-Fact

Date: December 14 2023

NON-OPERATORS:

Chevron U.S.A. Inc.

By:



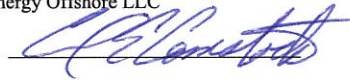
Name: Jeff Wilson

Title: Land Management Officer

Date: 12-14-23

Talos Energy Offshore LLC

By:



Name: Carl E. Comstock

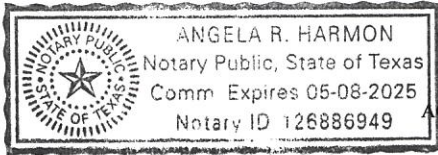
Title: Director Land

Date: 12-14-2023

ACKNOWLEDGEMENT
OPERATOR:

STATE OF TEXAS
COUNTY OF HARRIS

On this 14th day of December, 2023, before me, appeared Matthew Dare, to me personally known, who, being by me duly sworn, did say that he is the Attorney-in-Fact of BP Exploration & Production Inc. and that the foregoing instrument was signed on behalf of the corporation by authority of its Board of Directors and that he acknowledged the instrument to be the free act and deed of the corporation.

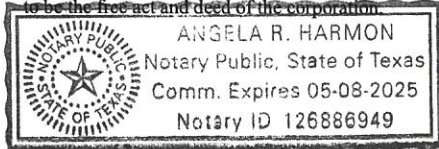


Angela R. Harmon
NOTARY PUBLIC

ACKNOWLEDGEMENT
NON-OPERATORS:

STATE OF TEXAS
COUNTY OF HARRIS

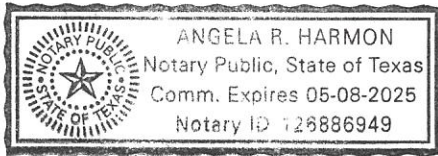
On this 14th day of December, 2023, before me, appeared Jeff Wilson, to me personally known, who, being by me duly sworn, did say that he is the Land Management Officer of Chevron U.S.A. Inc. and that the foregoing instrument was signed on behalf of the corporation by authority of its Board of Directors and that he acknowledged the instrument to be the free act and deed of the corporation.



Angela R. Harmon
NOTARY PUBLIC

STATE OF TEXAS
COUNTY OF HARRIS

On this 14th day of December, 2023, before me, appeared Carl E. Comstock, to me personally known, who, being by me duly sworn, did say that he is the Director Land of Talos Energy Offshore LLC. and that the foregoing instrument was signed on behalf of the corporation by authority of its Board of Directors and that he acknowledged the instrument to be the free act and deed of the corporation.



Angela R. Harmon
NOTARY PUBLIC

ATTACHMENT "1"

**Attached to and made a part of that certain Memorandum of Operating Agreement, Mortgage, Security Agreement and Financing Statement dated effective November 1, 2023, by and between
BP Exploration & Production Inc., as Operator, and
Chevron U.S.A. Inc. and Talos Energy Offshore LLC, as Non-Operators.**

DESCRIPTION OF LEASES IN CONTRACT AREA, WORKING INTERESTS OF THE PARTIES AND OPERATOR

I. Description of Leases in Contract Area:

Federal OCS Oil & Gas Lease Serial number OCS-G 37531, dated August 1, 2023, between the United States of America and BP Exploration & Production Inc., covering all of Block 540, Green Canyon, OCS Official Protraction Diagram, NG 15-03, containing approximately 5,760 acres as to all depths and bearing a royalty rate of 18.75%.

Federal OCS Oil & Gas Lease Serial number OCS-G 36297, dated June 1, 2018, between the United States of America and BP Exploration & Production Inc., covering all of Block 584, Green Canyon, OCS Official Protraction Diagram, NG 15-03, containing approximately 5,760 acres as to all depths and bearing a royalty rate of 18.75%.

Federal OCS Oil & Gas Lease Serial number OCS-G 37530, dated August 1, 2023, between the United States of America and Chevron U.S.A. Inc., covering all of Block 539, Green Canyon, OCS Official Protraction Diagram, NG 15-03, containing approximately 5,760 acres as to all depths and bearing a royalty rate of 18.75%.

II. Working Interests of the Parties:

| | |
|----------------------------------|--------|
| BP Exploration & Production Inc. | 42.50% |
| Chevron U.S.A. Inc. | 42.50% |
| Talos Energy Offshore LLC | 15.00% |

III. Operator:

BP Exploration & Production Inc.

End of Attachment "1"

ATTACHMENT "2"

Attached to and made a part of that certain Memorandum of Operating Agreement, Mortgage, Security Agreement and Financing Statement dated effective November 1, 2023, by and between BP Exploration & Production Inc., as Operator, and Chevron U.S.A. Inc. and Talos Offshore Energy LLC, as Non-Operators.

I. Farmors in Contract Area

None

End of Attachment "2"