

Houston Energy, L.P.
Two Allen Center
1200 Smith, Suite 2400
Houston, Texas 77002
Phone: (713) 586-5746
Fax: (713) 650-8305
vveltman@houstonenergyinc.com

RECEIVED
ADJUDICATION SECTION
OCT 31 2024



October 31, 2024

Via Electronic Mail

Bureau of Ocean Energy Management
Department of the Interior
Adjudication Unit (GM 276A)
1201 Elmwood Park Boulevard
New Orleans, LA 70123-2394

RE: Filing in Non-Required Document
Assignment of Overriding Royalty Interest
Mississippi Canyon, Block 386 - OCS-G 37473

Ladies and Gentlemen:

Enclosed please find two originals of the following:

Title of Document: Assignment of Overriding Royalty Interest in Oil and Gas Lease

Identities of Parties to Document: Houston Energy, L.P. as Assignor and TGS-NOPEC Geophysical Company as Assignee

Lease Affected: OCS-G 37473

Category to be Filed: 5 = Overriding Royalty, Production Payment, Net Profit

Service Fees: Pay.gov receipt for \$34.00

Once this document has been filed, please return a processed copy to my attention at vveltman@houstonenergyinc.com.

Please contact me at 713.400.7781 if you have any questions.

Best regards,

Houston Energy, L.P.

Vanessa V. Veltman, MBA
Senior Land Analyst

ASSIGNMENT OF
OVERRIDING ROYALTY INTEREST
IN OIL AND GAS LEASES

Gala Prospect
MC 386

THE UNITED STATES OF AMERICA
OUTER CONTINENTAL SHELF
OFFSHORE LOUISIANA

§
§ KNOW ALL MEN BY THESE PRESENTS:
§

THAT, **Houston Energy, L.P.**, a Texas limited partnership, whose address is Two Allen Center, 1200 Smith, Suite 2400, Houston, Texas 77002 (hereinafter referred to as "Assignor") is the owner of an undivided forty percent of eight-eighths (40% of 8/8ths) operating rights interest in and to the following oil and gas lease (the "Lease"):

Oil and Gas Lease of Submerged Lands under the Outer Continental Shelf Lands Act, bearing Serial Number OCS-G 37473, effective as of August 1, 2023, granted by the United States of America, as Lessor, in favor of Murphy Exploration & Production Company - USA, as Lessee, covering all of Block 386, Mississippi Canyon, OCS Official Protraction Diagram, NH 16-10, INsofar AND ONLY INsofar as said Lease covers depths from the surface of the earth down to and including 13,500 feet TVDSS.

WHEREAS, Assignor desires to assign unto **TGS-NOPEC Geophysical Company**, a Delaware Corporation, whose address is 10451 Clay Road, Houston, Texas 77043 (hereinafter referred to as "Assignee") a certain overriding royalty interest in and to the Lease.

NOW, THEREFORE, effective as of August 1, 2023, and for and in consideration of the mutual advantages and benefits accruing to the parties hereto and for One Thousand and No/100 Dollars (\$1,000), and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and further in consideration of the mutual covenants and conditions herein contained, said Assignor does hereby TRANSFER, CONVEY, SELL and ASSIGN unto Assignee an overriding royalty interest in and to the Lease equal to one percent of eight-eighths (1.00% of 8/8ths) (hereinafter referred to as the "Overriding Royalty"), proportionately reduced as described below.

The Overriding Royalty shall be due only with respect to oil, gas and other minerals produced, saved and marketed from or attributable to the Lease, it being understood that any oil, gas or other minerals utilized in the drilling, rework, producing or other operations on the Lease shall be specifically deducted from the gross production prior to calculating the volume for the Overriding Royalty. The Overriding Royalty shall be free and clear of any cost of drilling or production, but shall bear its proportionate share of all applicable taxes, including, but not limited to, severance or other similar taxes applicable to production. The value of the Overriding Royalty shall never be calculated, paid or determined on a basis in excess of the gross proceeds of production after deduction of the foregoing and shall be computed and paid at the same time and in the same manner as royalties are computed and paid to the lessor under the terms of the Lease; *provided, however*, notwithstanding the foregoing, the Overriding Royalty shall never be subject to, affected by, or diminished by any past, present or future rules or regulations promulgated by the Bureau of Ocean Energy Management ("BOEM") Department of the Interior, or any other agency or authority having jurisdiction over the lands covered by the Lease, that provide for, or may provide for, relief, reduction or suspension of the lessor's royalty under the Lease. Assignor shall have the right to pool, unitize, communitize, form joint development areas, surrender, or permit to expire, the Lease without the necessity or joinder of the Assignee, or any subsequent holder of the Overriding Royalty and Assignor shall not be in any manner obligated to maintain, preserve or continue in effect the Lease in any manner whatsoever, or to drill or rework any well on the Lease or conduct any operation whatsoever thereunder. The Overriding Royalty shall be subject to proportionate reduction (i) on account of the failure of leasehold or mineral title for the Lease; (ii) in the event the Lease relates to less than the entirety of the minerals; or (iii) if Assignor's leasehold interest in the Lease relates to less than the entirety of the leasehold interest in the Lease, then the Overriding Royalty herein conveyed

shall be proportionately reduced and shall be payable to Assignee in the proportion that Assignor's leasehold interest in the Lease bears to the entire interest of the Lease. As a result of proportionate reduction described in the prior sentence, it is the intent of the parties hereto that the Overriding Royalty as to the Lease shall be equal to forty percent of one percent of eight-eighths (40% of 1% of 8/8). If the Lease is pooled, combined into a joint development area, or unitized, then the Overriding Royalty shall be computed only on the proportionate part of production from any pooled, combined or unitized portion of the Lease which is included in such a pool, joint development area, or unit. Unless otherwise allocated by order of any regulatory body or other authority having jurisdiction, or agreement by Assignor, the amount of production to be allocated to each pool, joint development area, or unit shall be that proportion of the total production that the surface area of the Lease included within such pool, joint development area, or unit bears to the total surface area of all the lands contained within such pool, joint development area, or unit. Notwithstanding anything to the contrary herein, without the prior written consent of Assignee, under no circumstances shall proportionate reduction as provided for above serve to reduce the Overriding Royalty to less than 0.4% of 8/8ths.

This Assignment arises under and is delivered pursuant to that certain Master License Agreement dated July 17, 2002 and that certain Supplement Agreement Number H-011 dated March 27, 2011 by and between Assignor and Assignee.

Subject to the matters set forth herein, Assignor hereby agrees to warrant and forever defend title to the Overriding Royalty against the claims and demands of every person whomsoever claiming, or to claim, the same or any part thereof, by, through or under Assignor, but not otherwise.

This Assignment may be executed in any number of counterparts, each of which shall be valid and binding with respect to the signatories thereto and their interest in the property sold and conveyed hereby, but only upon execution by all signatories of this Assignment or a counterpart hereof.

This Assignment shall inure to the benefit of and be binding upon the successors, representatives, and assigns of the parties hereto.

IN WITNESS WHEREOF, this Assignment is executed by the undersigned, duly authorized representatives of the parties hereto.

Signature pages to follow

WITNESSES:

Vanessa V. Veitman
Vanessa V. Veitman
(Printed Name of Witness)

Martha Ann Moore
Martha Ann Moore
(Printed Name of Witness)

ASSIGNOR:

Houston Energy, L.P.
By: Sewanee Investments, LLC
its General Partner

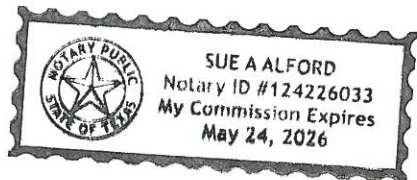
By: [Signature]
Heath Suire
Offshore Land Manager

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared **Heath Suire**, known to me to be the person whose name is subscribed to the foregoing instrument as **Offshore Land Manager** of Sewanee Investments, LLC, a General Partner of **Houston Energy, L.P.**, a Texas limited partnership and acknowledged to me that he executed the same for and on behalf of said partnership, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN under my hand and seal of office this 16 day of April, 2024.



[Signature]
Notary Public - State of Texas

WITNESSES:

Gena C. Glover
Gena C. Glover
(Printed Name of Witness)

Camille Edwards
Camille Edwards
(Printed Name of Witness)

ASSIGNEE:

TGS-NOPEC Geophysical Company

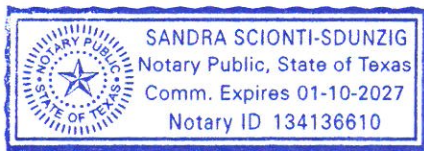
By: D Bate
Name: Duncan Bate
Title: SVP Sales – Western Hemisphere

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared Duncan Bate, known to me to be the person whose name is subscribed to the foregoing instrument as SVP Sales – Western Hemisphere of **TGS-NOPEC Geophysical Company**, and acknowledged to me that (s)he executed the same for and on behalf of said company, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN under my hand and seal of office this 16 day of April, 2024.



[Signature]
Notary Public - State of Texas

**ASSIGNMENT OF
OVERRIDING ROYALTY INTEREST
IN OIL AND GAS LEASES**

Gala Prospect
MC 386

**THE UNITED STATES OF AMERICA
OUTER CONTINENTAL SHELF
OFFSHORE LOUISIANA**

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Oil and Gas Lease of Submerged Lands under the Outer Continental Shelf Lands Act, bearing Serial Number OCS-G 37473, effective as of August 1, 2023, granted by the United States of America, as Lessor, in favor of Murphy Exploration & Production Company - USA, as Lessee, covering all of Block 386, Mississippi Canyon, OCS Official Protraction Diagram, NH 16-10, INsofar AND ONLY INsofar as said Lease covers depths from the surface of the earth down to and including 13,500 feet TVDSS.

WHEREAS, Assignor desires to assign unto **TGS-NOPEC Geophysical Company**, a Delaware Corporation, whose address is 10451 Clay Road, Houston, Texas 77043 (hereinafter referred to as "Assignee") a certain overriding royalty interest in and to the Lease.

NOW, THEREFORE, effective as of August 1, 2023, and for and in consideration of the mutual advantages and benefits accruing to the parties hereto and for One Thousand and No/100 Dollars (\$1,000), and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and further in consideration of the mutual covenants and conditions herein contained, said Assignor does hereby TRANSFER, CONVEY, SELL and ASSIGN unto Assignee an overriding royalty interest in and to the Lease equal to one percent of eight-eighths (1.00% of 8/8ths) (hereinafter referred to as the "Overriding Royalty"), proportionately reduced as described below.

The Overriding Royalty shall be due only with respect to oil, gas and other minerals produced, saved and marketed from or attributable to the Lease, it being understood that any oil, gas or other minerals utilized in the drilling, rework, producing or other operations on the Lease shall be specifically deducted from the gross production prior to calculating the volume for the Overriding Royalty. The Overriding Royalty shall be free and clear of any cost of drilling or production, but shall bear its proportionate share of all applicable taxes, including, but not limited to, severance or other similar taxes applicable to production. The value of the Overriding Royalty shall never be calculated, paid or determined on a basis in excess of the gross proceeds of production after deduction of the foregoing and shall be computed and paid at the same time and in the same manner as royalties are computed and paid to the lessor under the terms of the Lease; *provided, however*, notwithstanding the foregoing, the Overriding Royalty shall never be subject to, affected by, or diminished by any past, present or future rules or regulations promulgated by the Bureau of Ocean Energy Management ("BOEM") Department of the Interior, or any other agency or authority having jurisdiction over the lands covered by the Lease, that provide for, or may provide for, relief, reduction or suspension of the lessor's royalty under the Lease. Assignor shall have the right to pool, unitize, communitize, form joint development areas, surrender, or permit to expire, the Lease without the necessity or joinder of the Assignee, or any subsequent holder of the Overriding Royalty and Assignor shall not be in any manner obligated to maintain, preserve or continue in effect the Lease in any manner whatsoever, or to drill or rework any well on the Lease or conduct any operation whatsoever thereunder. The Overriding Royalty shall be subject to proportionate reduction (i) on account of the failure of leasehold or mineral title for the Lease; (ii) in the event the Lease relates to less than the entirety of the minerals; or (iii) if Assignor's leasehold interest in the Lease relates to less than the entirety of the leasehold interest in the Lease, then the Overriding Royalty herein conveyed

shall be proportionately reduced and shall be payable to Assignee in the proportion that Assignor's leasehold interest in the Lease bears to the entire interest of the Lease. As a result of proportionate reduction described in the prior sentence, it is the intent of the parties hereto that the Overriding Royalty as to the Lease shall be equal to forty percent of one percent of eight-eighths (40% of 1% of 8/8). If the Lease is pooled, combined into a joint development area, or unitized, then the Overriding Royalty shall be computed only on the proportionate part of production from any pooled, combined or unitized portion of the Lease which is included in such a pool, joint development area, or unit. Unless otherwise allocated by order of any regulatory body or other authority having jurisdiction, or agreement by Assignor, the amount of production to be allocated to each pool, joint development area, or unit shall be that proportion of the total production that the surface area of the Lease included within such pool, joint development area, or unit bears to the total surface area of all the lands contained within such pool, joint development area, or unit. Notwithstanding anything to the contrary herein, without the prior written consent of Assignee, under no circumstances shall proportionate reduction as provided for above serve to reduce the Overriding Royalty to less than 0.4% of 8/8ths.

This Assignment arises under and is delivered pursuant to that certain Master License Agreement dated July 17, 2002 and that certain Supplement Agreement Number H-011 dated March 27, 2011 by and between Assignor and Assignee.

Subject to the matters set forth herein, Assignor hereby agrees to warrant and forever defend title to the Overriding Royalty against the claims and demands of every person whomsoever claiming, or to claim, the same or any part thereof, by, through or under Assignor, but not otherwise.

This Assignment may be executed in any number of counterparts, each of which shall be valid and binding with respect to the signatories thereto and their interest in the property sold and conveyed hereby, but only upon execution by all signatories of this Assignment or a counterpart hereof.

This Assignment shall inure to the benefit of and be binding upon the successors, representatives, and assigns of the parties hereto.

IN WITNESS WHEREOF, this Assignment is executed by the undersigned, duly authorized representatives of the parties hereto.

Signature pages to follow

WITNESSES:

Vanessa V. Veitman
Vanessa V. Veitman
(Printed Name of Witness)

Martha Ann Moore
Martha Ann Moore
(Printed Name of Witness)

ASSIGNOR:

Houston Energy, L.P.
By: Sewanee Investments, LLC
its General Partner

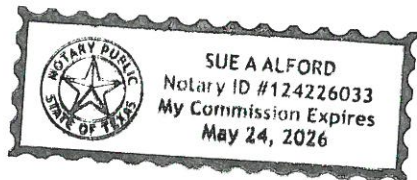
By: [Signature]
Heath Suire
Offshore Land Manager

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared **Heath Suire**, known to me to be the person whose name is subscribed to the foregoing instrument as **Offshore Land Manager** of Sewanee Investments, LLC, a General Partner of **Houston Energy, L.P.**, a Texas limited partnership and acknowledged to me that he executed the same for and on behalf of said partnership, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN under my hand and seal of office this 16 day of April, 2024.



[Signature]
Notary Public - State of Texas

WITNESSES:

Gena C. Glover
Gena C. Glover
(Printed Name of Witness)

Camille Edwards
Camille Edwards
(Printed Name of Witness)

ASSIGNEE:

TGS-NOPEC Geophysical Company

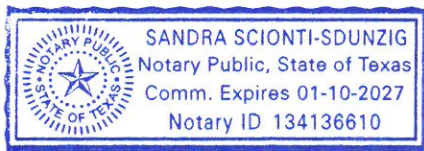
By: D Bate
Name: Duncan Bate
Title: SVP Sales – Western Hemisphere

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared Duncan Bate, known to me to be the person whose name is subscribed to the foregoing instrument as SVP Sales – Western Hemisphere of **TGS-NOPEC Geophysical Company**, and acknowledged to me that (s)he executed the same for and on behalf of said company, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN under my hand and seal of office this 16 day of April, 2024.



[Signature]
Notary Public - State of Texas