



RECEIVED
ADJUDICATION SECTION
APR 10 2025

Shell Offshore Inc.

150 N. Dairy Ashford Rd

Houston, TX 77079

Tel +1 832 337 0357

Email: john.munroe@shell.com

VIA EMAIL

April 9, 2025

Bureau of Ocean Energy Management
ATTN Adjudication Dept.
1201 Elmwood Park Boulevard
New Orleans, LA, 70123-2349

Dear Adjudication Dept:

**SUBJECT: NON-REQUIRED FILINGS
PROSPECT GETTYSBURG
DE SOTO CANYON BLOCK 399, FEDERAL OIL & GAS LEASES OCS-G 37782
5 = OVERRIDING ROYALTY, PRODUCTION PAYMENT. NET PROFIT**

Enclosed please find an Assignment of Overriding Royalty Interest between **Kosmos Energy Gulf of Mexico Operations, LLC (Company No. 03362)** as Assignor and **Shell Offshore Inc. (Company No. 00689)** as Assignee to be filed in **Non-Required Filing Category 5 (OVERRIDING ROYALTY, PRODUCTION PAYMENT. NET PROFIT)** for the above subject lease.

I have paid the adjudication fees for this non required filing and have attached a copy of the payment confirmations received via Pay.gov.

Should you have any questions please contact me via e-mail at john.munroe@shell.com or at (832) 337-0357.

Sincerely,

John Munroe
Senior Commercial Analyst

Attachments

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

UNITED STATES OF AMERICA	§	
OUTER CONTINENTAL SHELF	§	KNOW ALL MEN BY THESE PRESENTS:
GULF OF MEXICO	§	

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, **KOSMOS ENERGY GULF OF MEXICO OPERATIONS, LLC ("Assignor")**, a Delaware limited liability company, having an address at 15011 Katy Freeway, Suite 700, Houston, Texas 77094, by this assignment ("**Assignment**") does, subject to the further terms and provisions hereof, hereby grant, bargain, assign, sell, and transfer unto **SHELL OFFSHORE INC. ("Assignee")**, a Delaware corporation, whose mailing address is P.O. Box 61933, New Orleans, Louisiana 70161 an overriding royalty interest (the "Overriding Royalty") of **one-sixth percent of eight-eighths (0.16667% of 8/8ths)** in and to the oil, gas, casinghead gas, condensate, distillate, gaseous substances and all other hydrocarbons produced, saved, and sold from, or attributable to the following described Oil and Gas Lease (the "**Lease**"):

Federal OCS Oil & Gas Lease serial number OCS-G 37782 dated April 1, 2024, between the United States of America and Shell Offshore Inc., covering all of Block 399, De Soto Canyon, OCS Official Protraction Diagram, NH 16-11, containing approximately 5,760 acres as to all depths and bearing a royalty rate of 18.75%.

TO HAVE AND TO HOLD the Overriding Royalty assigned herein in the Lease unto Assignee, its successors and assigns, subject to the terms and conditions of the Lease. This Assignment is made without warranty of title or any other type of warranty (statutory, express, or implied), except as to claims by persons claiming the same property, or any part thereof, by, through or under the Assignor, but not otherwise, but with full subrogation and substitution in and to all actions in warranty as to the interest assigned. Additionally, the interest assigned herein is assigned free and clear of any contracts and any overriding royalties, production payments, mortgages, pledges or other burdens, liens or encumbrances on production (including dedication of production or dedication for processing or transportation, production handling agreements, and/or processing agreements).

This Assignment is also subject to the following terms and provisions, to wit:

1.

The Overriding Royalty shall be based on the value of oil, gas, casinghead gas, condensate, distillate, gaseous substances and all other hydrocarbons which are produced, saved and sold from the Lease and, as to which, payments to Assignee made hereunder shall be on the same basis as that upon which the payment of royalties by Assignor to the lessor is based, so the applicable Overriding Royalty shall be computed and paid at the same time and in the same manner as the lessor royalty is computed and paid under the 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). Assignor may deduct any transportation costs, marketing and processing costs, and other costs or charges incurred in making oil, gas, or liquid hydrocarbons 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 Lease or regulations applicable thereto.

2.

This assignment of the Overriding Royalty shall never be deemed as imposing any obligation upon Assignor, or its respective successors or assigns, to conduct any operations whatsoever upon the Lease, or to maintain any such operations once begun, or to continue production of oil or gas after once established, nor to protect the Lease from drainage, nor to maintain the Lease in effect by payment of delay rentals, minimum royalties, drilling operations or otherwise, but all operations, if any, on the Lease and the extent and duration thereof, as well as the preservation of the Lease by rental payments or otherwise, as well as surrender of the Lease, shall be solely at the will of Assignor and the Overriding Royalty hereby assigned shall be paid only if and when there is any production of oil or gas from a Lease in accordance with the terms hereof. Nothing herein or at law 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 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.

3.

Contemporaneously with the execution of this Assignment, Assignor and Assignee have entered into an operating agreement covering the Lease and a second lease. Assignor and Assignee agree that the Overriding Royalty will not be subject to, or affected by, the terms of the operating agreement, including without limitation those provisions related to liens or security interests or other rights granted or created pursuant thereto, including without limitation those related to non-consent, default, forfeiture, abandonment or withdrawal. The Overriding Royalty will not merge with the record title interest retained by Assignee. This Assignment is intended by Assignor and Assignee to be a conveyance of a real right and/or of an immovable pursuant to Louisiana law. In addition, this Assignment constitutes a "production payment" as defined in Title 11 of the United States Code, as amended. This Assignment does not include any ownership in and to any fixtures, structures, equipment, or other tangible property now or hereafter placed on the Lease, and Assignee, by virtue of this Assignment, shall not be responsible for any plugging and abandonment or related decommissioning obligations or liabilities associated therewith, but the foregoing will not absolve Assignee of liability for such costs attributable to any record title interest it may own. Notwithstanding the foregoing above in this paragraph, in the event the Assignor non-consents, withdraws or forfeits its interest (other than as a result of the failure to approve the initial development plan under the operating agreement), payments for the Overriding Royalty borne by Assignor will be suspended and not payable during the period of non-consent and shall cease totally in the event of the requisite withdrawal or forfeiture.

4.

Assignor, without the approval or joinder of Assignee (solely in its capacity as an owner of the Overriding Royalty), shall have the right and power to hereafter combine, pool, co-develop or unitize the Lease, or any portion thereof, and the leasehold estate and overriding royalty ownership therein, including the Overriding Royalty assigned 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, to facilitate the orderly development of the Lease, or to comply with the requirements of any law or governmental order or regulation relating to the spacing of wells or for proration of the production therefrom. For purposes of computing the Overriding Royalty conveyed hereby, there shall be allocated to the 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 under the unit agreement covering the Lease. It is agreed that Assignee shall receive, and will accept, on production from a pool or unit so pooled or unitized, its Overriding Royalty only on the portion of unit or pooled production as is allocated to the Lease to which the Overriding Royalty

applies.

5.

All ad valorem, production and other taxes, if any, chargeable against the Overriding Royalty's ownership or production shall be paid by Assignee.

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 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 properly recorded instrument or instruments evidencing such change in ownership. Assignee covenants and agrees that in any further assignment by Assignee of its interest in the Lease, and its successors and assigns, the covenants, obligations and agreements contained in this Assignment, to the extent related to said Overriding Royalty, shall be assumed by any such future assignees and construed as covenants running with the land and the Lease for the benefit of the Assignor and Assignee.

8.

This Assignment may be executed by signing the original or a counterpart thereof. If this 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 Assignment unless and until all Parties have executed the original or a counterpart to the original.

9.

Assignor hereby waives, renounces and releases any right that Assignor has or may have, as a consequence of Assignee's execution hereof or any other agreement that may exist between Assignor and Assignee, to assert a vendor's lien on or against the Overriding Royalty.

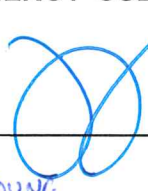
IN WITNESS WHEREOF, this Assignment is made effective for all purposes as of the 28th
day of January, 2025 (the "Effective Date").

WITNESSES:


Blaine Killian
Print Name: BLAINE KILLIAN

Print Name:


**ASSIGNOR
KOSMOS ENERGY GULF OF MEXICO OPERATIONS,
LLC**

By: 
Name: TOM YOUNG
Title: VICE PRESIDENT AND ASSISTANT SECRETARY
Signing Date: JANUARY 28, 2025

WITNESSES:

Brin Murdock
Print Name:

Print Name:

**ASSIGNEE
SHELL OFFSHORE INC.**

By: 
Name: Christopher J. Gonsalves
Title: Attorney-in-Fact
Signing Date: Jan. 28, 2025

ACKNOWLEDGMENTS

STATE OF LOUISIANA

PARISH OF ORLEANS

Be it known, that on this 28th day of the month of January, 2025, before me, the undersigned authority, personally came and appeared Christopher J. Gonsalves, Attorney-in-Fact for Shell Offshore Inc., to me personally known and known by me to be the person whose genuine signature is affixed to the foregoing document, who signed said document before me and in the presence of the two witnesses whose names are thereto subscribed as such, being competent witnesses, and who acknowledged, in my presence and in the presence of said witnesses, that he signed the above and foregoing document as the free act and deed of said corporation and for the uses and purposes therein set forth and apparent.

In witness whereof, the said appearer has signed these presents and I have hereunto affixed my hand and seal, together with the said witnesses on the day and date first above written.



Notary Public in and for the State of Louisiana

DANA ERIN DUPRE

Notary Public

Bar # 31143

Orleans Parish, State of Louisiana

My Commission Is For Life

STATE OF LOUISIANA

PARISH OF ORLEANS

Be it known, that on this 28th day of the month of January, 2025, before me, the undersigned authority, personally came and appeared, Tom Young, Vice President and Assistant Secretary for Kosmos Energy Gulf of Mexico Operations, LLC, to me personally known and known by me to be the person whose genuine signature is affixed to the foregoing document, who signed said document before me and in the presence of the two witnesses whose names are thereto subscribed as such, being competent witnesses, and who acknowledged, in my presence and in the presence of said witnesses, that he signed the above and foregoing document as the free act and deed of said company and for the uses and purposes therein set forth and apparent.

In witness whereof, the said appearer has signed these presents and I have hereunto affixed my hand and seal, together with the said witnesses on the day and date first above written.



Notary Public in and for the State of Louisiana

DANA ERIN DUPRE

Notary Public

Bar # 31143

Orleans Parish, State of Louisiana

My Commission Is For Life