

BRACEWELL

JUNE 13, 2025

BY E-MAIL

Ocean Energy Management
Attention: BOEM Adjudication
boemadjudication@boem.gov

Re: INEOS ENERGY PETROLEUM OFFSHORE USA INC., as Debtor under that certain UCC-1 Fixture Filing to DNB BANK ASA, LONDON BRANCH as Secured Party

To Whom It May Concern:

Please find the following document to be filed in the non-required file for the following twenty-five (25) leases:

OCS- G 24593	OCS-G 17570	OCS-G 34551	OCS-G 24084	OCS-G 32334
OCS-G 17561	OCS-G 17571	OCS-G 26315	OCS-G 27277	OCS-G 33163
OCS-G 20870	OCS-G 25852	OCS-G 26252	OCS-G 33161	OCS-G 31513
OCS-G 17565	OCS-G 20051	OCS-G 26253	OCS-G 31507	OCS-G 31938
OCS-G 20871	OCS-G 26313	OCS-G 26254	OCS-G 25098	OCS-G 25232

1. UCC-1 FINANCING STATEMENT – FIXTURE FILING (Category #3 – UCC Filings and Financial Statements)

We have enclosed a copy of the receipt for the document to be filed, evidencing payment of the required filing fees in the amounts of \$950.00, (with the category already identified) and also, one (1) copy of this filing letter. Please return the file-stamped acknowledgement copy to me electronically, pursuant to the instructions provided by the BOEM.

If you have any questions, or if there is a deficiency of payment, please feel free to contact me toll free at (800) 887-1993 x 1103 and we will pay the difference or otherwise satisfy your request. Thank you in advance for your assistance in this matter.

Very truly yours,



Anne H. Ormsby

Paralegal

Ms. Anne H. Ormsby

Paralegal

T: +1.713.221.1512 F: +1.800.404.3970
711 Louisiana Street, Suite 2300, Houston, Texas 77002-2770
anne.ormsby@bracewell.com bracewell.com

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT SUBMITTER (optional) ANNE H. ORMSBY 713.221.1512
B. E-MAIL CONTACT AT SUBMITTER (optional) ANNE.ORMSBY@BRACEWELL.COM
C. SEND ACKNOWLEDGMENT TO: (Name and Address) BRACEWELL LLP 711 LOUISIANA ST. SUITE 2300 HOUSTON, TX 77002
SEE BELOW FOR SECURED PARTY CONTACT INFORMATION

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME INEOS ENERGY PETROLEUM OFFSHORE USA INC.				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
9805 KATY FREEWAY, SUITE 675	HOUSTON	TX	77024	USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME				
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME DNB BANK ASA, LONDON BRANCH, AS SECURITY AGENT				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
8TH FLOOR, THE WALBROOK BUILDING, 25 WALBROOK	LONDON		EC4N 8AF	GBR

4. COLLATERAL: This financing statement covers the following collateral:

ALL RIGHTS, TITLE AND INTERESTS IN, UNDER AND TO THE COLLATERAL DEFINED IN, AND MORE FULLY DESCRIBED BY, THAT CERTAIN DEED OF TRUST, MORTGAGE, ASSIGNMENT OF AS-EXTRACTED COLLATERAL, SECURITY AGREEMENT, FIXTURE FILING AND FINANCING STATEMENT ATTACHED HERETO AS EXHIBIT A AND INCORPORATED HEREIN FOR ALL PURPOSES.

5. Check only if applicable and check only one box: Collateral is held in a Trust (see UCC1Ad, item 17 and Instructions) being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box: Public-Finance Transaction Manufactured-Home Transaction A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box: Agricultural Lien Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): Lessee/Lessor Consignee/Consignor Seller/Buyer Bailee/Bailor Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:
0006915.000003 -TX - BOEM

UCC FINANCING STATEMENT ADDENDUM
 FOLLOW INSTRUCTIONS

9. NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement; if line 1b was left blank because Individual Debtor name did not fit, check here

9a. ORGANIZATION'S NAME INEOS ENERGY PETROLEUM OFFSHORE USA INC.	
OR	
9b. INDIVIDUAL'S SURNAME	
FIRST PERSONAL NAME	
ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

10. DEBTOR'S NAME: Provide (10a or 10b) only one additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c

10a. ORGANIZATION'S NAME				
OR				
10b. INDIVIDUAL'S SURNAME				
INDIVIDUAL'S FIRST PERSONAL NAME				
INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)				SUFFIX
10c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

11. ADDITIONAL SECURED PARTY'S NAME or ASSIGNOR SECURED PARTY'S NAME: Provide only one name (11a or 11b)

11a. ORGANIZATION'S NAME				
OR				
11b. INDIVIDUAL'S SURNAME		FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
11c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral):

13. This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable)

14. This FINANCING STATEMENT:
 covers timber to be cut covers as-extracted collateral is filed as a fixture filing

15. Name and address of a RECORD OWNER of real estate described in item 16 (if Debtor does not have a record interest):	16. Description of real estate: <p>SEE EXHIBIT A ATTACHED HERETO AND INCORPORATED HEREIN FOR ALL PURPOSES.</p>
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17. MISCELLANEOUS:

EXHIBIT A

Execution Version

WHEN RECORDED OR FILED,

PLEASE RETURN TO:

Jennifer Dill
Bracewell LLP
711 Louisiana, Suite 2300
South Tower
Houston, Texas 77002

Space above for County Recorder's Use

**DEED OF TRUST, MORTGAGE, ASSIGNMENT OF AS-EXTRACTED
COLLATERAL, SECURITY AGREEMENT, FIXTURE FILING AND FINANCING
STATEMENT**

FROM

**INEOS ENERGY PETROLEUM OFFSHORE USA INC.
(f/k/a CNOOC Petroleum Offshore U.S.A. Inc.),
as Mortgagor**

TO

**KELLY SAGE,
as Trustee for the benefit of**

**DNB BANK ASA, LONDON BRANCH,
as Security Agent and as Mortgagee,
for the benefit of the Secured Parties**

A CARBON, PHOTOGRAPHIC OR OTHER REPRODUCTION OF THIS INSTRUMENT IS
SUFFICIENT AS A FINANCING STATEMENT.

A POWER OF SALE HAS BEEN GRANTED IN THIS INSTRUMENT. A POWER OF SALE MAY ALLOW THE TRUSTEE TO TAKE THE REALTY COLLATERAL AND SELL IT WITHOUT GOING TO COURT IN A FORECLOSURE ACTION UPON AND DURING THE CONTINUANCE OF AN EVENT OF DEFAULT (SUBJECT TO THE DELIVERY OF ANY NOTICE TO THE BORROWER REQUIRED BY SECTION 29.21 (ACCELERATION) OF THE FACILITY AGREEMENT).

THIS INSTRUMENT CONTAINS AFTER-ACQUIRED PROPERTY AND FUTURE ADVANCE PROVISIONS.

THIS INSTRUMENT COVERS PROCEEDS OF REALTY COLLATERAL.

THE SECURITY INTEREST CREATED BY THIS INSTRUMENT ATTACHES TO THE INTEREST OF MORTGAGOR IN MINERALS OR THE LIKE (INCLUDING OIL AND GAS) AS EXTRACTED AND TO THE ACCOUNTS RESULTING FROM THE SALE THEREOF AT THE WELLHEAD. THIS INSTRUMENT COVERS THE INTEREST OF MORTGAGOR IN FIXTURES. THIS FINANCING STATEMENT IS TO BE FILED FOR RECORD, AMONG OTHER PLACES, IN THE DEED OF TRUST AND UCC RECORDS, AND OTHER APPROPRIATE RECORDS OF EACH JURISDICTION WHERE ANY PART OF THE PROPERTY COVERED HEREBY (INCLUDING SAID FIXTURES) IS SITUATED, TO THE EXTENT SUCH PROPERTY IS SITUATED WITHIN THE OFFSHORE AREA OVER WHICH THE UNITED STATES ASSERTS JURISDICTION, EACH JURISDICTION ADJACENT TO WHERE THE REALTY COLLATERAL IS SITUATED. PRODUCTS OF THE COLLATERAL ARE ALSO COVERED.

PORTIONS OF THE REALTY COLLATERAL ARE GOODS WHICH ARE OR ARE TO BECOME FIXTURES RELATED TO THE LAND DESCRIBED IN OR REFERRED TO IN THE EXHIBIT HERETO. THIS FINANCING STATEMENT IS TO BE FILED FOR RECORD OR RECORDED, AMONG OTHER PLACES, IN THE REAL ESTATE RECORDS OR SIMILAR RECORDS OF EACH COUNTY IN WHICH SAID LAND OR ANY PORTION THEREOF IS LOCATED. THE MORTGAGOR IS THE OWNER OF A RECORD INTEREST IN THE REAL ESTATE CONCERNED. THIS INSTRUMENT IS ALSO TO BE INDEXED IN THE INDEX OF FINANCING STATEMENTS.

This DEED OF TRUST, MORTGAGE, ASSIGNMENT OF AS-EXTRACTED COLLATERAL, SECURITY AGREEMENT, FIXTURE FILING AND FINANCING STATEMENT (as amended, amended and restated, supplemented or otherwise modified from time to time, this “Deed of Trust”) is entered into as of June 13, 2025, to be effective as of the Effective Date (as defined below), by INEOS ENERGY PETROLEUM OFFSHORE USA INC. (f/k/a CNOOC Petroleum Offshore U.S.A. Inc.), a Delaware corporation (the “Mortgagor”), with offices at 9805 Katy Freeway, Suite 675, Houston, TX 77024 and whose federal Taxpayer Identification Number ends in 1900, in favor of Kelly Sage, as Trustee, for the benefit of DNB Bank ASA, London Branch (“DNB Bank”), in its capacity as security agent (in such capacity, the “Security Agent”) for the benefit of the Secured Parties (as defined in the Facility Agreement defined below).

RECITALS:

WHEREAS, this Deed of Trust is executed in connection with, and pursuant to the terms of, that certain Amendment and Restatement Deed, dated as of March 20, 2025 (the “Amendment and Restatement Deed”), among INEOS UK E&P Holdings Limited, a company incorporated under the laws of Scotland with registered number SC200459 and having its registered office at Brodies House, 31-33 Union Grove, Aberdeen, AB10 6SD (the “Borrower”), the companies listed in Schedule 4 thereto as Continuing Guarantors, DNB Bank, in its capacity as facility agent (in such capacity, the “Facility Agent”) and as the Security Agent, and certain other parties, which amended and restated that certain Facility Agreement, dated as of September 5, 2016, as amended and as amended and restated from time to time, including pursuant to the consent letters dated November 24, 2023 and December 1, 2023 (as so amended and as further amended and restated by the Amendment and Restatement Deed, the “Existing Facility Agreement”, and as further amended, amended and restated, supplemented or modified from time to time, including by the Amendment and Restatement Deed, the “Facility Agreement”), among the Borrower, DNB Bank as the Facility Agent and the Security Agent, and certain other parties.

WHEREAS, the Mortgagor became an additional guarantor under the Facility Agreement on the date hereof pursuant to that certain Accession Letter, dated as of the Effective Date, among the Mortgagor, certain affiliates of the Mortgagor, the Borrower, the Security Agent and the Facility Agent.

WHEREAS, the Secured Parties have required, as a condition to making Loans and to their other obligations under certain of the Finance Documents (as defined in the Facility Agreement), that the Mortgagor execute and deliver this Deed of Trust in favor of the Trustee, for the benefit of the Security Agent and the other Secured Parties (in such capacity, the “Mortgagee”), and the Mortgagor has agreed to execute and deliver this Deed of Trust to secure all obligations owing to the Security Agent and the other Secured Parties under the Finance Documents to the extent constituting Secured Liabilities (as defined in the Facility Agreement).

WHEREAS, the Mortgagor is an Affiliate (as defined in the Facility Agreement) of the Borrower and expects to receive significant benefits from the Loans (as defined in the Facility Agreement) pursuant to the Facility Agreement.

WHEREAS, the Mortgagor or any other Obligor (as defined in the Facility Agreement) may from time to time enter into one or more Bank Hedging Agreements (as defined in the Facility Agreement) with a Bank Hedging Counterparty (as defined in the Facility Agreement).

WHEREAS, the Mortgagor will directly or indirectly benefit from such Bank Hedging Agreements entered into by it or any other Obligor with a Bank Hedging Counterparty.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Mortgagor hereby agrees as follows:

ARTICLE 1

DEFINITIONS

Section 1.1 **Certain Defined Terms**. For all purposes of this Deed of Trust, unless the context otherwise requires:

“Acceptable Security Interest” in any Property means a Security Interest which (a) exists in favor of the Mortgagee for the benefit of the Secured Parties, (b) is superior to all other Security Interests or rights of any other person in the property encumbered thereby, other than Permitted Security, (c) secures the Secured Liabilities, and (d) is perfected and enforceable.

“Collateral” means the Realty Collateral, Personalty Collateral and Fixture Collateral.

“Contracts” means all contracts, agreements, operating agreements, farm-out or farm-in agreements, sharing agreements, mineral purchase agreements, contracts for the purchase, exchange, gathering, transportation, processing, treating or sale or other disposition of Hydrocarbons, rights-of-way, rights of use, easements, surface leases, equipment leases, permits, franchises, licenses, pooling or unitization agreements, and unit or pooling designations and orders now or hereafter affecting any of the Oil and Gas Properties, Operating Equipment, Fixture Operating Equipment, or Hydrocarbons now or hereafter covered hereby, or which are useful or appropriate in drilling for, producing, treating, refining, handling, storing, gathering, transporting, using or marketing Hydrocarbons produced from or allocated to any of the Oil and Gas Properties, and all such contracts and agreements as they may be amended, restated, modified, substituted or supplemented from time to time.

“Effective Date” means June 13, 2025.

“Excluded Assets” shall have the meaning set forth in the CNOOC Target Group Security Agreement.

“Exhibit A” means the “Exhibit A” attached hereto and made a part hereof, as the same may be amended, modified, restated or supplemented from time to time; provided that, for the avoidance of doubt, each reference to Exhibit A set forth in this Deed of Trust shall be deemed to exclude any lands, wells or Hydrocarbon Interests that are neither (i) located in (or covering or related to properties located in) the State of Texas, nor (ii) located within (or cover or relate to

properties located within) the Outer Continental Shelf or other offshore area adjacent to the State of Texas over which the United States of America asserts jurisdiction and to which the laws of the State of Texas are applicable with respect to this Deed of Trust and/or the Security Interest created hereby.

“Fixture Collateral” means all of the Mortgagor's right, title and interest now owned or hereafter acquired in and to all Fixture Operating Equipment and all proceeds, products, renewals, increases, profits, substitutions, replacements, additions, amendments and accessions thereof, thereto or therefor; *provided that*, Fixture Collateral shall not include any Excluded Assets.

“Fixture Operating Equipment” means any of the items described in the first sentence of the definition of “Operating Equipment” set forth below and which as a result of being incorporated into realty or structures or improvements located therein or thereon, with the intent that they remain there permanently, constitute fixtures under the laws of the state in which such equipment is located.

“Flood Insurance Regulations” means (a) the National Flood Insurance Act of 1968, (b) the Flood Disaster Protection Act of 1973, (c) the National Flood Insurance Reform Act of 1994 (amending 42 U.S.C.4001, et seq.), (d) the Flood Insurance Reform Act of 2004 and (e) the Biggert-Waters Flood Insurance Reform Act of 2012, as each of the foregoing is now or hereafter in effect or any successor statute to any of the foregoing and any regulations promulgated under the foregoing.

“Governmental Authority” means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Highest Lawful Rate” means, with respect to each Lender, the maximum nonusurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the Loans or on other Secured Liabilities under laws applicable to such Lender which are presently or may hereafter be in effect.

“Hydrocarbon Interests” means rights, titles, interests and estates now or hereafter acquired in and to oil and gas leases, oil, gas and mineral leases, or other liquid or gaseous hydrocarbon leases, mineral rights, mineral fee interests, mineral term interests, subleases, farm-outs, overriding royalty and royalty interests, net profit interests, carried interests, back-in interests, reversionary interests, production payment interests, and other similar mineral interests, including any reserved or residual interests of whatever nature, whether similar or dissimilar.

“Hydrocarbons” means oil, gas, coal seam gas, coalbed methane, casinghead gas, drip gasoline, natural gasoline, condensate, distillate, and all other liquid and gaseous hydrocarbons produced or to be produced in conjunction therewith from a well bore and all products, by-products, and other substances derived therefrom or the processing thereof, and all other minerals and substances produced in conjunction with such substances, including sulphur, geothermal

steam, water, carbon dioxide, helium, and other minerals, ores, or substances of value and the products and proceeds therefrom, but excluding:

(a) coal or bituminous shales or other stratified deposits from which oil can be extracted by destructive distillation; and

(b) any substance unavoidably lost in the production thereof or used in conformity with prudent industry practice for drilling and the production operations (including gas injection, fuel, secondary recovery pressure maintenance, re-pressuring or re-cycling operations) conducted for the purpose of winning and saving such substances but only for the duration of such use.

“Oil and Gas Property” or “Oil and Gas Properties” means (a) the Hydrocarbon Interests described in Exhibit A attached hereto that are located in (or cover or relate to properties located in) the State of Texas, or which are located within (or cover or relate to properties located within) the Outer Continental Shelf or other offshore area adjacent to the State of Texas over which the United States of America asserts jurisdiction and to which the laws of the State of Texas are applicable with respect to this Deed of Trust and/or the Security Interest created hereby, and made a part hereof for all purposes (whether now owned or hereafter acquired) including the net revenue interests warranted in Exhibit A and any reversionary or carried interests relating to any of the foregoing; (b) the Properties now or hereafter pooled or unitized with such Hydrocarbon Interests; (c) all presently existing or future unitization, pooling agreements and declarations of pooled units and the units created thereby to the extent affecting all or any portion of such Hydrocarbon Interests, including without limitation, all production units, and drilling and spacing units (and the Properties covered thereby), those units, if any, which may be described or referred to on Exhibit A and any other units created by agreement or designation or under orders, regulations, rules or other official acts of any Governmental Authority; (d) any and all non-consent interests owned or held by, or otherwise benefiting, the Mortgagor and arising out of, or pursuant to, any of the Contracts; (e) all Hydrocarbons and other As-Extracted Collateral in and under and that may be produced and saved or attributable to such Hydrocarbon Interests, including all oil in tanks, and all rents, issues, profits, proceeds, products, revenues and other incomes from or attributable to such Hydrocarbon Interests; (f) any other interest of the Mortgagor in, to or relating to (i) all or any part of the land described in Exhibit A, the land relating to, or described in, the leases set forth in Exhibit A or in the documents described in Exhibit A, or (ii) any of the estates, property rights or other interests referred to above, (g) any instrument executed in amendment, correction, modification, confirmation, renewal or extension of the interests described in clause (a) above, (h) all rights of the Mortgagor as a lessor or sublessor in and to all mineral payments classified as rent under Texas law now or hereafter derived from the Hydrocarbon Interests described on Exhibit A, and (i) all tenements, hereditaments, appurtenances and Properties, whether now existing or hereafter obtained, but in any manner appertaining, belonging, affixed or incidental to in connection with any of the aforesaid, including, without limitation, any rights arising under any unitization orders, agreements or other arrangements or pooling orders, agreements or arrangements.

“Operating Equipment” means, whether now owned or hereafter acquired, the following owned by the Mortgagor: all surface or subsurface machinery, fixtures, equipment, facilities, materials, supplies or other Property of whatsoever kind or nature now or hereafter located on any

of the Property affected by the Oil and Gas Properties or on lands pooled or unitized therewith or otherwise related to the Oil and Gas Properties which are used or are useful for the production, treatment, storage or transportation of Hydrocarbons, including all rights, titles and interests of Mortgagor, whether now owned or hereafter acquired, in the fixed and floating production facilities and platforms (including, in each case but not limited to, any such assets intended to be located on the lands set forth on Exhibit A), all oil wells (including, but not limited to, those set forth in Exhibit A), gas wells (including, but not limited to, those set forth in Exhibit A), water wells (including, but not limited to, those set forth in Exhibit A), injection wells (including, but not limited to, those set forth in Exhibit A), disposal wells (including, but not limited to, those set forth in Exhibit A), casing, tubing, rods, pumping units and engines, Christmas trees, derricks, separators, gun barrels, flow lines, pipelines, tanks, gas systems (for gathering, treating, processing and compression), water systems (for treating, disposal and injection), supplies, derricks, wells, power plants, poles, cables, wires, meters, processing plants, compressors, dehydration units, lines, transformers, starters and controllers, machine shops, tools, storage yards and equipment stored therein, telegraph, telephone and other communication systems, roads, loading racks, shipping facilities and all additions, substitutes and replacements for, and improvements, accessories and attachments to, any of the foregoing.

“Personalty Collateral” means all of the Mortgagor's right, title and interest now owned or hereafter acquired in and to (a) all Operating Equipment, (b) all Hydrocarbons severed and extracted from or attributable to the Oil and Gas Properties, including oil in tanks and all other As-Extracted Collateral from or attributable to the Oil and Gas Properties, (c) all accounts (including accounts resulting from the sale, use or delivery of Hydrocarbons at the wellhead), contract rights, and general intangibles, including all accounts, contract rights and general intangibles now or hereafter arising regardless of whether any of the foregoing is in connection with the sale or other disposition of any Hydrocarbons from or attributable to the Oil and Gas Properties or otherwise, including all Security Interests securing same, (d) all accounts, contract rights and general intangibles now or hereafter arising regardless of whether any of the foregoing is in connection with or resulting from any of the Contracts, including all Security Interests securing the same, in each case, relating to or arising out of the Collateral described and defined herein, (e) all proceeds and products of the Realty Collateral and any other contracts or agreements related to same, (f) all information concerning the Oil and Gas Properties and all wells located thereon, including abstracts of title, title opinions, geological and geophysical information and logs, lease files, well files, and other books and records (including computerized records and data), any deposit or time accounts with any Secured Party, including Mortgagor's operating bank account and all funds and investments therein, (g) any other deposit or time accounts with Mortgagee, and all funds and investments therein, in each case, relating to or arising out of the Collateral described and defined herein, (h) any options or rights of first refusal to acquire any Realty Collateral, (i) all Goods (including, without limitation, all inventory, equipment and fixtures), Accounts, Documents, Instruments, Money, Chattel Paper (whether tangible chattel paper or electronic chattel paper), and General Intangibles, and any and all other personal Property of any kind or character, in each case, as defined in and subject to the UCC constituting a part of, relating to or arising out of the Collateral described and defined herein, and (j) all proceeds and products of any of the foregoing, regardless of whether such proceeds and products are goods, money, documents, instruments, chattel paper (whether tangible chattel paper or electronic chattel paper), securities, accounts, general intangibles, fixtures, real Property, or other assets, and all renewals, increases, profits,

substitutions, replacements, additions, amendments and accessions of, to or for any of the foregoing; *provided that*, Personalty Collateral shall not include any Excluded Assets.

“Property” or “Properties” means any property of any kind, whether real, personal, or mixed and whether tangible or intangible.

“Realty Collateral” means all of the Mortgagor's right, title and interest now owned or hereafter acquired in and to the Oil and Gas Properties, including any access rights, water and water rights, rights of use, servitudes and easements, and all Hydrocarbons (even though Mortgagor's interest therein may be incorrectly described in, or a description of a part or all of such interest may be omitted from, Exhibit A) and all improvements and other constructions, including the Operating Equipment, now or hereafter located on any of the real property affected by the Oil and Gas Properties to the extent (a) any such improvements and other constructions should constitute or be deemed to constitute real property for the purposes of Texas law, including any platforms, structures, towers, rigs or other real property or component part thereof, including all fixed and floating production facilities and platforms (including, but not limited to, that intended to be located on the lands set forth on Exhibit A), or (b) any such property is otherwise susceptible of mortgage pursuant to Texas law.

“Reimbursement Rate” means a per annum rate equal to the lesser of (a) the Highest Lawful Rate and (b) 1% plus the rate which would have been payable if the applicable amount had constituted a Loan in the currency of the applicable amount for successive Interest Periods, each of a duration selected by the Facility Agent (acting reasonably).

“Secured Liabilities” means at any time and without double counting, all present and future obligations and liabilities (actual or contingent) of each Obligor (whether or not for the payment of money and including any obligation to pay damages for breach of contract) which are, or are expressed to be, or may become due, owing or payable to any or all of the Secured Parties under or in connection with any of the Finance Documents, together with all costs, charges and expenses incurred by the Security Agent or any Secured Party which any Obligor is obliged to pay under any Finance Document; provided that solely with respect to any Obligor, the Excluded Swap Obligations of such Obligor shall in any event be excluded from “Secured Liabilities” owing by such Obligor.

“Trustee” means Kelly Sage, whose address for notice hereunder is 8th Floor, The Walbrook Building, 25 Walbrook, London EC4N 8AF, and any successors or substitutes thereof.

“UCC” means the Uniform Commercial Code from time to time in effect in each of the jurisdictions where the Collateral or a portion thereof is situated or, in the case of any Oil and Gas Property under the exclusive jurisdiction of the United States of America, the jurisdictions of the states situated adjacent to such Oil and Gas Property.

Section 1.2 Other Terms.

(a) All capitalized terms not otherwise defined in this Deed of Trust that are defined in the Facility Agreement shall have the meanings assigned to such terms by the Facility Agreement. The rules of construction specified in Clause 1.2 (*Construction and interpretation*) of the Facility Agreement also apply to this Deed of Trust.

(b) Except as otherwise expressly provided in this Deed of Trust, and notwithstanding the foregoing, all terms in this Deed of Trust relating to the Collateral and the grant of the foregoing security interest which are defined in the UCC shall have the meanings assigned to them in Article 9 of the UCC (or, absent definition in Article 9 of the UCC, in any other Article of the UCC), as those meanings may be amended, revised or replaced from time to time. Notwithstanding the foregoing, the parties intend that the terms used herein which are defined in the UCC have, at all times, the broadest and most inclusive meanings possible. Accordingly, if the UCC shall in the future be amended or held by a court to define any term used herein more broadly or inclusively than the UCC in effect on the date of this Deed of Trust, then such term, as used herein, shall be given such broadened meaning. If the UCC shall in the future be amended or held by a court to define any term used herein more narrowly, or less inclusively, than the UCC in effect on the date of this Deed of Trust, such amendment or holding shall be disregarded in defining terms used in this Deed of Trust.

ARTICLE 2

GRANTING CLAUSE; DEED OF TRUST PROPERTY

Section 2.1 **Grant of Lien.** In consideration of the advances or extensions by the Secured Parties to the Borrower of the funds or credit constituting the Secured Liabilities (including, without limitation, the making of the Loans), and in further consideration of the mutual covenants contained herein, and to secure payment of, and performance of the Secured Liabilities, and the performance of the covenants and obligations herein contained and in consideration of other valuable consideration in hand paid by the Secured Parties to the Mortgagor and the other Obligors and in consideration of the debts and trusts hereinafter mentioned, the receipt and sufficiency of all of which is hereby acknowledged, the Mortgagor does by these presents hereby specially GRANT, BARGAIN, SELL, HYPOTHECATE, PLEDGE, MORTGAGE, ASSIGN, TRANSFER, CONVEY and SET OVER to the Trustee, in trust for the benefit of the Mortgagee, for its benefit and the ratable benefit of the Secured Parties, and each of their respective successors and assigns, and GRANT to the Trustee, in trust for the benefit of the Mortgagee, for its benefit and the ratable benefit of the Secured Parties, and each of their respective successors and assigns, a POWER OF SALE (pursuant to this Deed of Trust and applicable law) with respect to, in each case, each of the Realty Collateral, the Fixture Collateral, and the Personalty Collateral, including all the real property, personal property, rights, titles, interests and estates in each case to the extent constituting Realty Collateral, Fixture Collateral or Personalty Collateral.

TO HAVE AND TO HOLD the Realty Collateral, the Fixture Collateral, and the Personalty Collateral unto the Trustee and its successors, assigns or substitutes, IN TRUST, forever, together with all and singular the rights, hereditaments and appurtenances thereto in any way appertaining or belonging, to secure payment of the Secured Liabilities and the performance of the covenants of the Mortgagor contained in this Deed of Trust and in the Finance Documents

Notwithstanding anything else herein to the contrary, none of the Fixture Collateral or Personalty Collateral shall include any Excluded Assets.

This Deed of Trust is intended to secure the Secured Liabilities, whether now existing or arising at any time hereafter. As to all Secured Liabilities, whether now existing or arising at any

time hereafter, this Deed of Trust has effect between the parties from the time this Deed of Trust is established and as to third parties from the time this Deed of Trust is filed for registry.

None of the Trustee, the Mortgagee or the Secured Parties shall be liable in any respect for the performance of any covenant or obligation of the Mortgagor in respect of the Collateral. Any reference in Exhibit A to the name of a well shall not be construed to limit the Collateral to the well bore of such well or in the pro rata units. It is Mortgagor's intention that this instrument cover Mortgagor's entire interest in the lands, leases, units and other interests set forth in Exhibit A that Mortgagor now owns or hereafter may acquire.

Notwithstanding any provisions in this Deed of Trust to the contrary, in no event is any Building (as defined in the applicable Flood Insurance Regulation) or Manufactured (Mobile) Home (as defined in the applicable Flood Insurance Regulation) included in the definition of "Realty Collateral" or "Collateral", and no Building or Manufactured (Mobile) Home is hereby encumbered by this Deed of Trust.

Section 2.2 **Future Advances.** It is contemplated and acknowledged that the Secured Liabilities may include loans and advances from time to time, and that this Deed of Trust shall have effect as of the date hereof to secure all Secured Liabilities, regardless of whether any amounts are advanced on the date hereof or on a later date or, whether having been advanced, are later repaid in part or in whole and further advances made at a later date. This Deed of Trust secures all future advances and obligations constituting Secured Liabilities.

Section 2.3 **Security Interest.** For the same consideration and to further secure the Secured Liabilities, the Mortgagor hereby grants to the Mortgagee, for its benefit and the ratable benefit of the Secured Parties, a security interest in and to the Collateral; *provided, however*, that the Personalty Collateral and Fixture Collateral shall not include any Excluded Assets.

Section 2.4 **Fixture Filing.** The Personalty Collateral and Fixture Collateral in which Mortgagee has a security interest include goods which shall become fixtures on the Realty Collateral. This Deed of Trust is intended to serve as a fixture filing pursuant to the terms of Sections 9-310 and 9-502 of the UCC and as a fixture filing should also be recorded in the appropriate real estate records in the State of Texas and any other appropriate records of each jurisdiction where any part of the Fixture Collateral is situated, to the extent such Collateral is situated within the offshore area over which the United States of America asserts jurisdiction, each jurisdiction adjacent to where the Fixture Collateral is situated. This filing remains in effect as a fixture filing until this Deed of Trust is released or satisfied of record or its effectiveness otherwise terminates. In that regard, the following information is provided:

Name of Mortgagor: INEOS Energy Petroleum Offshore USA Inc.

Address of Mortgagor: 9805 Katy Freeway, Suite 675, Houston, TX 77024

Name of Mortgagee: DNB Bank ASA, London Branch, as Security Agent

Address of Mortgagee: See Section 7.12 hereof.

The Mortgagor is the owner of a record interest in the real estate concerned. The Mortgagor warrants and agrees that there is no financing statement covering the foregoing Collateral, or any part thereof, on file in any public office except such as have been filed in favor of the Mortgagee for the ratable benefit of the Secured Parties pursuant to this Deed of Trust and the Finance Documents, as are filed to secure any Permitted Security, or as to which a duly authorized termination statement relating to such financing statement has been delivered to the Mortgagee on or before the Effective Date.

Section 2.5 **Future Advances.** This Deed of Trust has been executed by Mortgagor for the purpose of securing Mortgagor's Secured Liabilities that may now be existing or that may arise in the future, as provided, herein, with the preferences and priorities provided under applicable Texas law.

Section 2.6 **Rights of Producers.** The Mortgagor hereby grants, sells, assigns, sets over and mortgages unto Trustee, during the term hereof, all of the Mortgagor's rights and interests pursuant to any provision of applicable law granting producers of oil and gas a lien on the oil and gas produced by them and on the resulting accounts receivable, including, without limitation, the provisions of Section 9.343 of the UCC as enacted in the State of Texas and in the correlative provisions of the UCC as enacted in the other states in which Realty Collateral is located, hereby vesting in Trustee all of Mortgagor's rights as an interest owner to the continuing security interest in and lien upon the Realty Collateral.

ARTICLE 3

PROCEEDS FROM PRODUCTION

Section 3.1 **Assignment of Hydrocarbons.**

(a) In order to further secure the Secured Liabilities, to the maximum extent permitted by Texas law, the Mortgagor has assigned, transferred, conveyed and delivered and does hereby absolutely and unconditionally assign, transfer, convey and deliver unto the Mortgagee, for its benefit and the ratable benefit of the other Secured Parties, effective as of the Effective Date at 7:00 a.m. New York time, all Hydrocarbons produced from, relating to, and which are attributable to, the Mortgagor's interest, now owned or hereafter acquired, in and to the Oil and Gas Properties, or are allocated thereto pursuant to pooling or unitization orders, agreements or designations, and all proceeds therefrom, including, without limitation, all As-Extracted Collateral relating to the Hydrocarbon Interests, the Hydrocarbons and all products obtained or processed therefrom.

(b) Subject to the provisions of subsection (g) below, all parties producing, purchasing, taking, possessing, processing or receiving any Hydrocarbons relating to the Oil and Gas Properties, or having in their possession any such Hydrocarbons, or the proceeds therefrom, for which they or others are accountable to the Mortgagee by virtue of the provisions of this Section 3.1, are authorized and directed by Mortgagor to treat and regard the Mortgagee as the assignee and transferee of the Mortgagor and entitled in its place and stead to receive such Hydrocarbons and the proceeds therefrom.

(c) Subject to the provisions of subsection (g) below, the Mortgagor directs and instructs each of such parties to pay to the Mortgagee, for its benefit and the ratable benefit of the other Secured Parties, all of the proceeds of the Hydrocarbons until the occurrence of the Discharge Date; provided, however that, but subject in all respects to Clause 22 (*Operation of the Project Accounts*) of the Facility Agreement, until the Mortgagee shall have exercised the rights as herein provided (subject to subsection (g) below) to instruct such parties to deliver the Hydrocarbons and all proceeds therefrom directly to the Mortgagee and provided any notices to the Borrower required under the Facility Agreement, such parties shall be entitled to deliver the Hydrocarbons and all proceeds therefrom to the Mortgagor for the Mortgagor's use and enjoyment, and the Mortgagor shall be entitled to execute division orders, transfer orders and other instruments as may be required to direct all proceeds to the Mortgagor without the necessity of joinder by the Mortgagee in such division orders, transfer orders or other instruments. Subject to the provisions of subsection (g) below, in order to have said revenues and proceeds so paid to the Mortgagee in accordance with the preceding sentence, the Mortgagor agrees to perform all such acts, and to execute all such further assignments, transfers and division orders, and other instruments as may be reasonably required or desired by the Mortgagee, any Secured Party, or any party producing, purchasing, taking, possessing, processing or receiving any production from the Oil and Gas Properties, or having in their possession any such production, or the proceeds therefrom, for which they or others are accountable to the Mortgagee by virtue of the provisions of this Section 3.1. None of such parties shall have any responsibility for the application of any such proceeds received by the Mortgagee. Subject to the provisions of subsection (g) below, the Mortgagor authorizes the Mortgagee to receive and collect all proceeds of the Hydrocarbons.

(d) Subject to the provisions of subsection (g) below, the Mortgagee may endorse and cash any and all checks and drafts payable to the order of the Mortgagor or the Mortgagee for the account of the Mortgagor, received from or in connection with the proceeds of the Hydrocarbons affected hereby, and the same may be applied as provided herein. The Mortgagee may execute any transfer or division orders in the name of the Mortgagor or otherwise, with warranties and indemnities binding on the Mortgagor; provided that the Mortgagee shall not be held liable to the Mortgagor for, nor be required to verify the accuracy of, the Mortgagor's interests as represented therein.

(e) Subject to the provisions of subsection (g) below, the Mortgagor will execute and deliver to the Mortgagee any instruments the Mortgagee may from time to time request for the purpose of effectuating this assignment and the payment to the Mortgagee of the proceeds assigned.

(f) Neither the foregoing assignment nor the exercise by the Mortgagee of any of its rights herein shall be deemed to make the Mortgagee a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Oil and Gas Properties or the use, occupancy, enjoyment or operation of all or any portion thereof, unless and until the Mortgagee, in person or by agent, assumes actual possession thereof, nor shall appointment of a receiver for the Oil and Gas Properties by any court at the request of the Mortgagee or by agreement with the Mortgagor or the entering into possession of the Oil and Gas Properties or any part thereof by such receiver be deemed to make the Mortgagee a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Oil and Gas Properties or the use, occupancy, enjoyment or operation of all or any portion thereof.

(g) Notwithstanding anything to the contrary contained in this Article 3, so long as no Event of Default shall have occurred and be continuing and the Facility Agent has not delivered any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement, but subject in all respects to Clause 21.5 (*Controls on withdrawals following Default*) of the Facility Agreement, the Mortgagor shall have the right to collect all revenues and proceeds attributable to the Hydrocarbons that accrue to the Oil and Gas Properties or the products obtained or processed therefrom, as well as any Security Interest and security interests securing any sales of said Hydrocarbons and to retain, use and enjoy same. Unless an Event of Default has occurred and is continuing and the Facility Agent has delivered to the Borrower any notice required by Section 29.21 (*Acceleration*) of the Facility Agreement, the Mortgagee agrees it will not (i) seek to enforce or exercise any rights granted to it under this Article 3 (including those rights provided in Section 67.002 of the Texas Property Code), (ii) send to any production purchasers any transfer notices or letters in lieu of transfer orders that the Mortgagor may have executed and delivered to the Mortgagee in connection with this Deed of Trust or any other similar instruments or notices (whether or not executed by the Mortgagor), nor (iii) otherwise demand payment of or receive any Hydrocarbons or proceeds of Hydrocarbons.

(h) Subject to the provisions of subsection (g) above, the Mortgagee shall have the right at the Mortgagee's election and in the name of the Mortgagor, or otherwise, to prosecute and defend any and all actions or legal proceedings deemed advisable by the Mortgagee in order to collect such proceeds and to protect the interests of the Mortgagee or the Mortgagor, with all costs, expenses and attorneys fees incurred in connection therewith being paid by the Mortgagor. In addition, should any purchaser taking production from the Oil and Gas Properties fail to pay promptly to the Mortgagee in accordance with this Article 3, the Mortgagee shall have the right to demand (in addition to all other remedies available under Texas law) on and from the occurrence and during the continuance of an Event of Default that is continuing (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), a change of connection and to designate another purchaser with whom a new connection may be made without any liability on the part of the Mortgagee in making such election, so long as ordinary care is used in the making thereof, and upon failure of the Mortgagor to consent to such change of connection, the entire amount of all the Secured Liabilities may, at the option of the Mortgagee (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), be immediately declared to be due and payable and subject to foreclosure or other remedies hereunder.

(i) Without in any way limiting the effectiveness of the foregoing provisions, if the Mortgagor receives any proceeds which under this Section 3.1 are payable to the Mortgagee, the Mortgagor shall hold the same in trust and remit such proceeds, or cause them to be remitted, immediately, to the Mortgagee.

Section 3.2 Application of Proceeds. All payments received by the Mortgagee pursuant to this Article 3 attributable to the interest of the Mortgagor in and to the Hydrocarbons shall be applied in accordance with Clause 46 (*Application of Proceeds on Enforcement*) of the Facility Agreement.

Section 3.3 Mortgagor's Payment Duties. Except as provided in Section 7.18 hereof, nothing contained herein will limit the Mortgagor's absolute duty to make payment of the Secured

Liabilities regardless of whether the proceeds assigned by this Article 3 are sufficient to pay the same, and the receipt by the Mortgagee of proceeds from Hydrocarbons under this Deed of Trust will be in addition to all other Security Interests now or hereafter existing to secure payment of the Secured Liabilities.

Section 3.4 Liability of Mortgagee. The Mortgagee is hereby absolved from all liability for failure to enforce collection of any of such proceeds, and from all other responsibility in connection therewith except the responsibility to account to the Mortgagor for proceeds actually received by the Mortgagee.

Section 3.5 Actions to Effect Assignment. Subject to the provisions of Section 3.1(g), the Mortgagor covenants to cause all operators, pipeline companies, production purchasers and other remitters of said proceeds to pay promptly to the Mortgagee the proceeds from the Hydrocarbons in accordance with the terms of this Deed of Trust, and to execute, acknowledge and deliver to said remitters such division orders, transfer orders, certificates and other documents as may be necessary, requested or proper to effect the intent of this assignment; and the Mortgagee shall not be required at any time, as a condition to its right to obtain the proceeds of the Hydrocarbons, to warrant its title thereto or to make any guaranty whatsoever. In addition, subject to the provisions of Section 3.1(g), at the request of the Mortgagee, the Mortgagor covenants to provide to the Mortgagee the name and address of every such remitter of proceeds from the Hydrocarbons, together with a copy of the applicable division orders, transfer orders, sales contracts and governing instruments. All costs and expenses (including legal fees) incurred by the Mortgagee in the collection of said proceeds shall be repaid promptly by the Mortgagor; and prior to such repayment, such expenses shall be a part of the Secured Liabilities secured hereby. If under any existing Contracts for the sale of Hydrocarbons, other than division orders or transfer orders, any proceeds of Hydrocarbons are required to be paid by the remitter directly to the Mortgagor so that under such existing Contracts payment cannot be made of such proceeds to the Mortgagee in the absence of foreclosure, the Mortgagor's interest in all proceeds of Hydrocarbons under such existing Contracts shall, when received by the Mortgagor, constitute trust funds in the Mortgagor's hands for the benefit of the Mortgagee (for its benefit and for the benefit of the other Secured Parties), and shall be promptly paid over to the Mortgagee (subject to the provisions of Section 3.1(g)).

Section 3.6 Power of Attorney. Without limitation upon any of the foregoing, the Mortgagor hereby irrevocably designates and appoints the Mortgagee as true and lawful agent and attorney-in-fact (with full power of substitution, either generally or for such periods or purposes as the Mortgagee may from time to time prescribe), with full power and authority, for and on behalf of and in the name of the Mortgagor, to, on and after the occurrence and during the continuance of an Event of Default (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), execute, acknowledge and deliver all such division orders, transfer orders, certificates and other documents of every nature, with such provisions as may from time to time, in the opinion of the Mortgagee, be necessary or proper to effect the intent and purpose of the assignment contained in this Article 3; and the Mortgagor shall be bound thereby as fully and effectively as if the Mortgagor had personally executed, acknowledged and delivered any of the foregoing orders, certificates or documents. The power of attorney conferred by this Section 3.6 is granted for valuable consideration and coupled with an interest and is irrevocable until the occurrence of the Discharge Date. Any person dealing with

the Mortgagee, or any substitute, shall be fully protected in relying upon any demand for payment of proceeds of the Hydrocarbons without the need to confirm whether an Event of Default has occurred and is continuing and by treating the powers and authorities conferred by this Section 3.6 as continuing in full force and effect until advised by the Mortgagee that the Discharge Date has occurred or that no Event of Default continues.

ARTICLE 4

COVENANTS, REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF MORTGAGOR

Section 4.1 **Representations and Warranties.** The Mortgagor represents and warrants as follows:

(a) *Title to Collateral.* To the extent of the undivided interests specified on Exhibit A, the Mortgagor has (i) good and defensible title, as is customary in the oil and gas industry, to the Oil and Gas Properties constituting Collateral secured, or purported to be secured, hereby and (ii) good and valid title to the Collateral (other than the Oil and Gas Properties) secured, or purported to be secured, hereby, in each case, free from any Security Interests (other than the Security Interest created hereunder and any Permitted Security).

(b) *Production Burdens.* All rentals, royalties, shut-in royalties and other payments due under or with respect to the Oil and Gas Properties constituting Collateral have been properly paid or provided for, in all material respects, except for payments held in suspense in the ordinary course of business, contested in good faith by appropriate proceedings or remitted to state agencies responsible for handling unclaimed property. All overriding royalties due under or with respect to the Oil and Gas Properties constituting Collateral have been properly paid or provided for, in all material respects, except for payments held in suspense in the ordinary course of business, contested in good faith by appropriate proceedings or remitted to state agencies responsible for handling unclaimed property.

(c) *Mortgagor's Address.* The address of the Mortgagor's place of business, chief executive office and office where the Mortgagor keeps its records concerning Accounts, contract rights and General Intangibles is as set forth in Section 2.4, and there has been no change in the location of the Mortgagor's place of business, chief executive office and office where it keeps such records and no change of the Mortgagor's name during the four months immediately preceding the Effective Date, other than the change in Mortgagor's name from CNOOC Petroleum Offshore U.S.A. Inc.

(d) *Revenue and Cost Bearing Interest.* As of the Effective Date (or, in any case where this representation and warranty is made after the Effective Date, as of the date of the most recent reserves report provided in accordance with the Facility Agreement prior to the date such representation and warranty is made), with respect to the Hydrocarbon Interests and the undivided interests therein as specified on Exhibit A hereto which comprises a part of the Collateral, the Mortgagor's ownership of such Collateral, after giving full effect to all Permitted Security, causes the Mortgagor to be obligated to bear a decimal share of the cost of exploration, development, and operation of such well not greater than the decimal share set forth in Exhibit A

in connection with such well under the column on Exhibit A designated by the words "Operating Interest" or "Working Interest", the abbreviation "WI", or words or abbreviations of similar import unless either (i) there is a corresponding increase in the Mortgagor's net revenue interest or (ii) as otherwise disclosed in the most recent reserves report provided in accordance with the Facility Agreement.

Section 4.2 **Covenants.**

(a) *Waiver of Offset.*

(i) Mortgagor waives any and all right to claim or recover against Mortgagee for loss of or damage to Mortgagor, the Oil and Gas Properties, Mortgagor's property or the property of others under Mortgagor's control from any cause insured against or required to be insured against by the provisions of this Deed of Trust.

(ii) All payments to be made by the Mortgagor hereunder shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim, and the obligations and liabilities of the Mortgagor hereunder shall in no way be released, discharged or otherwise affected (except as expressly provided herein) by reason of: (A) any damage to or destruction of or any condemnation or similar taking of the Collateral or any part thereof; (B) any restriction or prevention of or interference by any third party with any use of the Collateral or any part thereof; (C) any title defect or encumbrance or any eviction from the Realty Collateral or any part thereof by title paramount or otherwise; (D) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to the Mortgagee, the Trustee or any guarantor of any secured obligation, or any action taken with respect to this Deed of Trust by the Mortgagee or the Trustee, or by any court, in any such proceeding; (E) any claim which the Mortgagor has or might have against the Mortgagee or the Trustee; (F) any default or failure on the part of the Mortgagee or the Trustee to perform or comply with any of the terms hereof or of any other agreement with the Mortgagor; or (G) any other occurrence whatsoever, whether similar or dissimilar to the foregoing (other than the occurrence of the Discharge Date); whether or not Mortgagor shall have notice or knowledge of any of the foregoing.

(b) *Actions By Trustee or Mortgagee to Preserve Collateral.* The Mortgagee and/or the Trustee may from time to time, at its option but at the Mortgagor's cost and expense, perform any act which the Mortgagor agrees hereunder to perform and which the Mortgagor shall fail to perform within the time period required hereunder after being requested in writing so to perform (it being understood that no such request need to be given on and after an Event of Default has occurred and is continuing and notice thereof has been provided by the Facility Agent to the Borrower, as required under Section 29.21 (*Acceleration*) of the Facility Agreement). In connection therewith (without limiting its general powers, whether conferred herein, in any other Finance Document or by law), on and after the occurrence and continuation of an Event of Default (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), the Mortgagee and the Trustee shall have and is hereby given the right, but not the obligation, (i) to enter upon and take possession of the Collateral (to the extent not prohibited by applicable law); (ii) to make additions, alterations, repairs and improvements to the Collateral which it may consider necessary or proper to keep the Collateral in good condition and

repair (to the extent not prohibited by applicable law); (iii) to appear and participate in any action or proceeding affecting or which may affect the security hereof or the rights or powers of the Mortgagee or the Trustee; (iv) to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in the judgment of the Mortgagee or the Trustee may affect or appears to affect the security of this Deed of Trust or be prior or superior hereto; and (v) in exercising such powers, to pay necessary costs and expenses, including attorneys' fees and costs and costs of other necessary or desirable consultants (subject to Clause 50 (*Costs and Expenses*) of the Facility Agreement). Unless an Event of Default has occurred and is continuing and notice has been delivered to the Borrower as required by Section 29.21 (*Acceleration*) of the Facility Agreement, the Mortgagee shall provide notice to the Mortgagor and the Borrower of any action taken under this Section 4.2(b). The Mortgagor shall, within three (3) Business Days of demand, pay to the Mortgagee and the Trustee or either of them, for its benefit or the benefit of any Receiver or Delegate, an amount equal to all respective costs and expenses incurred by such party in connection with the exercise of the foregoing rights, including, without limitation, costs of evidence of title, court costs, appraisals, surveys and receiver's, trustee's and attorneys' fees, together with interest thereon from the date of such expenditures at the Reimbursement Rate.

(c) *Mortgagee's Powers.* Without affecting the liability of any other person liable for the payment of any obligation herein mentioned, and without affecting the lien or charge of this Deed of Trust upon any portion of any Realty Collateral not then or theretofore released as security for the full amount of all unpaid obligations, the Mortgagee or the Trustee, acting at the Mortgagee's direction, may, from time to time and without notice (i) release any person so liable, (ii) extend the maturity or alter any of the terms of any such obligation, (iii) grant other indulgences, (iv) release or reconvey, or cause to be released or reconveyed at any time at the Mortgagee's option any parcel, portion or all of the Collateral, (v) take or release any other or additional security from any person (other than the Mortgagor) for any obligation herein mentioned, or (vi) make compositions or other arrangements with debtors in relation thereto.

Section 4.3 Further Assurances.

(a) Mortgagor covenants that Mortgagor shall execute and deliver such other and further instruments, and shall do such other and further acts as in the reasonable opinion of Mortgagee may be necessary or reasonably advisable to carry out more effectively the purposes of this Deed of Trust, including, without limiting the generality of the foregoing, prompt correction of any defect in the execution or acknowledgement of this Deed of Trust.

(b) The Mortgagor shall pay all filing, registration and recording fees and all refiling, re-registration and re-recording fees, and all other costs and expenses (including legal fees) reasonably incurred and incident to the execution and acknowledgment of this Deed of Trust, any assurance, and all federal, state, county and municipal stamp taxes and other taxes, duties, imports, assessments and charges arising out of or in connection with the execution and delivery of this Deed of Trust, any agreement supplemental hereto, any financing statements, and any instruments of further assurance.

(c) Mortgagor covenants that, on or before the adoption of a new Forecast, the Mortgagor shall procure that within 30 days (or such longer period as may be agreed by the Security Agent) of the adoption of such Forecast, title information in form and substance

acceptable to the Security Agent covering enough of the Borrowing Base Assets located in the United States of America (including its territorial waters) so that the Security Agent shall have received, together with satisfactory title information previously reviewed and delivered to the Security Agent, satisfactory title information on at least 90% of the total contribution to the Field Life Cover Ratio Amount and Loan Life Cover Ratio Amount of all Borrowing Base Assets located in the United States of America (including its territorial waters).

Section 4.4 **Recording**. The Mortgagor hereby authorizes the Mortgagee (without obligation) to, at the Mortgagor's own expense, record, register, deposit and file this Deed of Trust and every other instrument in addition or supplement hereto, including applicable financing statements, in such offices and places within the state where the Collateral is located or, in the case of any Oil and Gas Property under the exclusive jurisdiction of the United States of America, the state situated adjacent to such Oil and Gas Property, and, in the case of such financing statements, in the state where the Mortgagor is deemed located under the UCC, in each case, at such times and as often as may be necessary to preserve, protect and renew the Security Interest herein created as an Acceptable Security Interest on real or personal property as the case may be.

Section 4.5 **Defense of Claims**. The Mortgagor covenants that Mortgagor shall warrant and defend its title to the Collateral and the validity and priority of the Security Interest hereof against the claims of all persons and parties, in each case subject to Permitted Security.

Section 4.6 **Operation By Third Parties**. If any portion of the Collateral is comprised of interests which are not operated by the Mortgagor, then with respect to such Collateral, the Mortgagor's covenants as expressed in this Article 4 are modified to require that the Mortgagor use commercially reasonable efforts (in each case, at the Mortgagor's own expense) to obtain compliance with such covenants by the operator or operators of such Collateral; *provided that* for the avoidance of doubt, the failure of such operator to so comply will not constitute a Default or Event of Default.

ARTICLE 5

ENFORCEMENT OF THE SECURITY

Section 5.1 **Acceleration Upon Default**. On and at any time after the occurrence and during the continuance of an Event of Default (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), the Mortgagee shall if so directed by the Facility Agent or the Majority Lenders in accordance with Clause 29.21 (*Acceleration*) of the Facility Agreement, take any action set forth in Clause 29.21 (*Acceleration*) of the Facility Agreement (including, as applicable and without limitation, directing the Trustee to take any such action).

ARTICLE 6

RIGHTS TO COLLATERAL DURING AN EVENT OF DEFAULT.

Section 6.1 **Rights to Realty Collateral Upon Occurrence of an Event of Default.**

(a) *Operation of Property by Mortgagee.* On and after an Event of Default has occurred and is continuing (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), subject to applicable law, and in addition to all other rights of the Mortgagee, the Mortgagee (or the Trustee, if so directed by the Mortgagee) shall have the following rights and powers (but no obligation), to the extent not prohibited by contract or applicable law:

(i) To enter upon and take possession of any of the Realty Collateral and exclude the Mortgagor therefrom;

(ii) To hold, use, administer, manage and operate the Realty Collateral to the extent that the Mortgagor could do so, and without any liability to the Mortgagor in connection with such operations; and

(iii) To the extent that the Mortgagor could do so, to collect, receive and receipt for all Hydrocarbons produced and sold from the Oil and Gas Property, to make repairs, to purchase machinery and equipment, to conduct workover operations, to drill additional wells, and to exercise every power, right and privilege of the Mortgagor with respect to the Realty Collateral.

The Mortgagee or the Trustee, as applicable, may designate any person to act on its behalf in exercising the foregoing rights and powers.

(b) *Judicial Proceedings.* On and after the occurrence and during the continuance of an Event of Default (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), subject to applicable law, the Mortgagee (or the Trustee, if so directed by the Mortgagee), in lieu of or in addition to exercising the power of sale hereafter given, may proceed by a suit or suits, in equity or at law (i) for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, (ii) for the appointment of a receiver whether there is then pending any foreclosure hereunder or the sale of the Realty Collateral, or (iii) for the enforcement of any other appropriate legal or equitable remedy; and further, in lieu of the non-judicial power of sale granted herein for Collateral located in the State of Texas (and any Collateral that is Oil and Gas Property that is under the exclusive jurisdiction of the United States of America where the State of Texas is the jurisdiction adjacent to such Oil and Gas Property) the Mortgagee and/or the Trustee may proceed by suit for a judicial sale of the Realty Collateral, including by way of executory process as contemplated by the provisions of Section 6.1(k) below.

(c) *Foreclosure by Private Power of Sale of Collateral.* On and after the occurrence and during the continuance of an Event of Default (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), to the extent not prohibited by applicable law, the Trustee (at the direction of the Mortgagee) shall have the right and power to sell all or a portion of the Collateral at one or more sales as an entirety or in parcels, in accordance with and as permitted by any applicable state law. The Mortgagor hereby designates as the Mortgagor's address for the purpose of notice the address set out in Section 7.12; provided that the Mortgagor may by written notice to the Mortgagee designate a different address for notice purposes. Any purchaser or purchasers will be provided with a special warranty

conveyance binding the Mortgagor and the Mortgagor's successors and assigns. Sale of a part of the Realty Collateral will not exhaust the power of sale, and sales may be made from time to time until all of the Realty Collateral is sold or the Discharge Date occurs.

(d) *Certain Aspects of Sale.* On and after the occurrence and during the continuance of an Event of Default (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), subject to applicable law, the Mortgagee (directly or via one or more other acquisition entities) will have the right, at the direction of the Majority Lenders, to become the purchaser at any foreclosure sale and to credit all or any portion of the then outstanding balance of the Secured Liabilities (except such Secured Liabilities owed to the Facility Agent or the Security Agent) in the same order as the order for the application of proceeds set forth in the Facility Agreement against the amount payable by Mortgagee as purchaser at such sale. Statements of fact or other recitals contained in any conveyance to any purchaser or purchasers at any sale made hereunder will conclusively establish the occurrence and continuance of an Event of Default, any acceleration of the maturity of the Secured Liabilities, the advertisement and conduct of such sale in the manner provided herein, the appointment of any successor-Mortgagee or successor-Trustee hereunder and the truth and accuracy of all other matters stated therein. The Mortgagor does hereby ratify and confirm all legal acts that the Mortgagee and/or the Trustee may do in carrying out the Mortgagee's or the Trustee's duties and obligations under this Deed of Trust. The Mortgagor hereby irrevocably appoints the Mortgagee and the Trustee to be the attorney-in-fact of the Mortgagor and in the name and on behalf of the Mortgagor, upon the occurrence and during the continuance of an Event of Default (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), to execute and deliver any deeds, transfers, conveyances, assignments, assurances and notices which the Mortgagor ought to execute and deliver and do and perform any and all such acts and things which the Mortgagor ought to do and perform under the covenants herein contained and generally to use the name of the Mortgagor in the exercise of all or any of the powers hereby conferred on the Mortgagee and/or the Trustee. Upon any sale, whether under the power of sale hereby given or by virtue of judicial proceedings, it shall not be necessary for the Mortgagee and/or the Trustee, as applicable, or any public officer acting under execution or by order of court, to have physically present or constructively in his possession any of the Collateral, and the Mortgagor hereby agrees to deliver to the purchaser or purchasers at such sale on the date of sale the Collateral purchased by such purchasers at such sale and if it should be impossible or impracticable to make actual delivery of such Collateral, then the title and right of possession to such Collateral shall pass to the purchaser or purchasers at such sale as completely as if the same had been actually present and delivered.

(e) *Receipt to Purchaser.* Upon any sale made under the power of sale herein granted, the receipt by the Mortgagee or the Trustee, as applicable, of the purchase money will be sufficient to discharge to the purchaser or purchasers at any sale, and such purchaser or purchasers will not, after paying such purchase money and receiving confirmation of such receipt from the Mortgagee or Trustee, as applicable, be obligated to see to the application of such purchase money or be responsible for any loss, misapplication or non-application thereof.

(f) *Effect of Sale.* Any sale or sales of the Realty Collateral will operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Mortgagor in and to the Realty Collateral sold, and will be a perpetual bar, both at law and in equity, against

the Mortgagor, the Mortgagor's successors or assigns, and against any and all persons claiming or who shall thereafter claim all or any of the Realty Collateral sold by, through or under the Mortgagor, or the Mortgagor's successors or assigns. Nevertheless, if requested by the Mortgagee or the Trustee, as applicable, so to do, the Mortgagor shall join in the execution and delivery of all proper conveyances, assignments and transfers of the Realty Collateral so sold. The purchaser or purchasers at the foreclosure sale will receive as incident to his, her, its or their own ownership, immediate possession of the Realty Collateral purchased and the Mortgagor agrees that if the Mortgagor retains possession of the Realty Collateral or any part thereof subsequent to such sale, the Mortgagor will be considered a tenant at sufferance of the purchaser or purchasers and will be subject to eviction and removal by any lawful means, with or without judicial intervention, and all damages by reason thereof are hereby expressly waived by the Mortgagor.

(g) *Application of Proceeds.* The proceeds of any sale of the Realty Collateral or any part thereof, whether under the power of sale herein granted and conferred or by virtue of judicial proceedings, shall be applied in the order set forth in the Facility Agreement.

(h) *Mortgagor's Waiver of Appraisement and Marshalling.* The Mortgagor agrees, to the full extent that the Mortgagor may lawfully so agree, that the Mortgagor will not at any time insist upon or plead or in any manner whatever claim the benefit of any appraisement, valuation, stay, extension or redemption law, now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Deed of Trust, the absolute sale of the Collateral, including the Realty Collateral, or the possession thereof by any purchaser at any sale made pursuant to this Deed of Trust or pursuant to the decree of any court of competent jurisdiction; and the Mortgagor, for the Mortgagor and all who may claim through or under the Mortgagor, hereby waives the benefit of all such laws and, to the extent that the Mortgagor may lawfully do so under any applicable law, any and all rights to have the Collateral, including the Realty Collateral, marshaled upon any foreclosure of the Security Interest hereof or sold in inverse order of alienation. The Mortgagor agrees that the Mortgagee and/or the Trustee may sell the Collateral, including the Realty Collateral, in part, in parcels or as an entirety as directed by the Mortgagee.

(i) *Applicable Law.* If any law referred to in this Deed of Trust and now in force, of which the Mortgagor or its successor or successors might take advantage despite the provisions hereof, shall hereafter be repealed or cease to be in force, such law shall thereafter be deemed not to constitute any part of the contract herein contained or to preclude the operation or application of the provisions hereof. The rights and remedies of the Mortgagee and the Trustee provided by this Section 6.1 are limited to the extent provided by applicable law.

(j) *Other Waivers.* The Mortgagee may resort to any Security Interest given by this Deed of Trust or to any other Security Interest now existing or hereafter given to secure the payment of any of the Secured Liabilities secured hereby, in whole or in part, and in such portions and in such order as may seem best to the Mortgagee in its sole and absolute discretion, and any such action shall not in any manner be considered as a waiver of any of the rights, benefits or Transaction Security created by this Deed of Trust.

(k) *Executory Process.*

(i) The Mortgagor for itself, its successors and assigns does by these presents agree and stipulate that, on and after the occurrence and during the continuance of an Event of Default (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), it shall be lawful for and the Mortgagor does hereby authorize the Mortgagee and or the Trustee without making a demand or putting in default, putting in default being expressly waived, to cause all and singular the Collateral to be seized and sold by executory or other legal process without appraisalment (appraisalment being hereby expressly waived) either in its entirety or in lots, or parcels as the Mortgagee may determine to the highest bidder for cash or on such terms as the Mortgagee may direct, the Mortgagor for itself, its successors and assigns hereby confessing judgment for the full amount of the Secured Liabilities secured and to be secured hereby, whether now existing or arising hereafter.

Section 6.2 **Rights to Personalty Collateral Upon an Event of Default.** On and after the occurrence and during the continuance of an Event of Default (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), the Mortgagee and/or the Trustee may proceed against the Personalty Collateral in accordance with the rights and remedies granted herein with respect to the Realty Collateral, or will have all rights and remedies granted by the UCC (Section 9-101 et seq) as amended, modified or succeeded, and under all other applicable laws of Texas and this Deed of Trust. The Mortgagee and/or the Trustee shall have the right to take possession of the Personalty Collateral, and for this purpose the Mortgagee and/or the Trustee (directly or through its agents or designees) may enter upon any premises on which any or all of the Personalty Collateral is situated and, to the extent that the Mortgagor could do so, take possession of and operate the Personalty Collateral or remove it therefrom. The Mortgagee and/or the Trustee may require the Mortgagor to assemble the Personalty Collateral and make it available to the Mortgagee and/or the Trustee, as applicable, at a place to be designated by the Mortgagee and/or the Trustee which is reasonably convenient to both parties. Unless the Personalty Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Mortgagee and/or the Trustee, as applicable, will send the Mortgagor reasonable notice of the time and place of any public sale or of the time after which any private sale or other disposition of the Personalty Collateral is to be made. This requirement of sending reasonable notice will be met if such notice is mailed after default, postage prepaid, to the Mortgagor at the address designated in Section 7.12 hereof (or such other address as has been designated as provided herein) at least ten days before the earliest time of the sale or disposition set forth in the notice. In addition to the expenses of retaking, holding, preparing for sale, selling and the like, the Mortgagee and/or the Trustee will be entitled to recover attorney's fees and legal expenses as provided for in this Deed of Trust and in the writings evidencing the Secured Liabilities before applying the balance of the proceeds from the sale or other disposition toward satisfaction of the Secured Liabilities. The Mortgagor will remain liable for any deficiency remaining after the sale or other disposition to the extent provided pursuant to applicable law. The Mortgagor hereby consents and agrees that any disposition of all or a part of the Collateral may be made without warranty of any kind whether expressed or implied. The rights and remedies of the Mortgagee and the Trustee provided by this Section 6.2 are limited to the extent provided by applicable law and are only available upon the occurrence of and during the continuation of an Event of Default (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement)

Section 6.3 **Rights to Fixture Collateral Upon an Event of Default.** On and after the occurrence and during the continuance of an Event of Default (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), subject to applicable law, the Mortgagee and/or the Trustee may elect to treat the Fixture Collateral as either Realty Collateral or as Personalty Collateral (but not both) and proceed to exercise such rights as apply to the type of Collateral selected.

Section 6.4 **Other Rights.** In addition to the rights as described in Sections 6.1, 6.2 and 6.3, on and after the occurrence and during the continuance of an Event of Default (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), the Mortgagee and/or the Trustee may take such other action, without notice or demand, as it deems advisable to protect and enforce its rights against the Mortgagor and in and to the Collateral, including the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as the Mortgagee may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of the Mortgagee: (a) institute proceedings for the complete foreclosure of this Deed of Trust in which case the Collateral or any part thereof may be sold for cash or upon credit in one or more portions; or (b) to the extent permitted and pursuant to the procedures provided by applicable law, institute proceedings for the partial foreclosure of this Deed of Trust for the portion of the Secured Liabilities then due and payable, subject to the continuing Security Interest of this Deed of Trust for the balance of the Secured Liabilities not then due; or (c) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained in this Deed of Trust; or (d) apply for the appointment of a trustee, receiver, liquidator or conservator of the Collateral, without regard for the adequacy of the security for the Secured Liabilities and without regard for the solvency of the Mortgagor or of any person liable for the payment of the Secured Liabilities; or (e) pursue such other remedies as the Mortgagee may have under applicable law. The rights and remedies of the Mortgagee provided by this Section 6.4 are limited to the extent provided by applicable law.

Section 6.5 **[Reserved.]**

Section 6.6 **Account Debtors.** The Mortgagee may, in its discretion, on and from the occurrence and during the continuance of an Event of Default (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), subject to applicable law, (a) notify any account debtor on any accounts constituting Collateral to make payments directly to the Mortgagee, (b) instruct any party described in Section 3.1(b) to deliver all Hydrocarbons assigned to the Mortgagee as described in Section 3.1(a) and all proceeds therefrom directly to the Mortgagee, and (c) contact such account debtors and other parties directly to verify information furnished by the Mortgagor with respect to such account debtors and such accounts. The Mortgagee shall not have any obligation to preserve any rights against prior parties.

Section 6.7 **Costs and Expenses.** The Mortgagor agrees that this Deed of Trust and its contents are subject to the provisions set forth in Clauses 12 (*Interest*), 49 (*Set-Off*) and 50 (*Cost and Expenses*) of the Facility Agreement, and all such provisions are hereby incorporated herein by reference, *mutatis mutandis*, and made applicable to this Deed of Trust as if set forth in full herein.

Section 6.8 **Substitute Trustees and Agents.** To the extent permitted by applicable law, each of the Trustee and the Mortgagee (or its successor or substitute) may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by the Trustee or the Mortgagee pursuant to this Article 6, including, without limitation, the posting of notices and the conduct of sale, but in the name and on behalf of the Trustee or the Mortgagee (or its successor or substitute), as applicable. If the Trustee or the Mortgagee (or its successor or substitute) shall have given notice of sale hereunder, any successor or substitute trustee or mortgagee agent thereafter appointed may complete the sale and the conveyance of the property pursuant thereto as if such notice had been given by the successor or substitute trustee or mortgagee agent conducting the sale.

ARTICLE 7 **MISCELLANEOUS**

Section 7.1 **Advances by Mortgagee or Trustee.** Each and every covenant of the Mortgagor herein contained shall be performed and kept by the Mortgagor solely at the Mortgagor's expense. If the Mortgagor fails to perform or keep any of the covenants of whatsoever kind or nature contained in this Deed of Trust, the Mortgagee (either by it directly or on its behalf by the Trustee or any receiver appointed hereunder) may, but will not be obligated to, make advances to perform the same on the Mortgagor's behalf, and the Mortgagor hereby agrees to repay such sums and any attorney's fees incurred in connection therewith on demand plus interest thereon from the date of the advance until reimbursement of the Mortgagee at the Reimbursement Rate. In addition, to the extent required under the Facility Agreement, the Mortgagor hereby agrees to repay on demand any costs and expenses (including legal fees) incurred by the Mortgagee or the Trustee which are to be obligations of the Mortgagor pursuant to, or allowed by, the terms of this Deed of Trust, including, without limitation, such costs, expenses and attorney's fees incurred pursuant to Section 3.1(h), Section 6.7 or Section 7.2 hereof, plus interest thereon from the date of the advance by the Mortgagee or the Trustee until reimbursement of the Mortgagee or the Trustee, respectively, at the Reimbursement Rate. Such amounts will be in addition to any sum of money which may, pursuant to the terms and conditions of the written instruments comprising part of the Secured Liabilities, be due and owing. No such advance will be deemed to relieve the Mortgagor from any default hereunder.

Section 7.2 **Defeasance or Release.**

(a) Upon the Discharge Date, all of the Collateral will revert to the Mortgagor to the extent not otherwise transferred or sold as permitted under applicable legal requirements or under this Deed of Trust and the entire estate, right, title and interest of the Mortgagee will thereupon cease; and Mortgagee in such case shall, and at the cost and expense of the Mortgagor (including legal fees), deliver to the Mortgagor proper documents, certificates or instruments acknowledging satisfaction and reconveyance of this Deed of Trust, in each case, as prepared by the Mortgagor, without recourse to or representation or warranty by the Mortgagee. The Mortgagee shall not be responsible for any recording fees.

(b) (i) Upon any sale, disposition or other transfer by the Mortgagor of any Collateral that is not prohibited by the Facility Agreement, or (ii) if the circumstances described in Clause 36.3 (*Releases*) of the Facility Agreement apply to the security interest granted over any

Collateral under this Agreement, in each case, the Security Interest in such Collateral shall be automatically released, without delivery of any instrument or performance of any act by Mortgagee or any other party. Notwithstanding the foregoing, in connection with any release pursuant to this paragraph (b), the Mortgagee or the Trustee (on direction of the Mortgagee), as applicable, on direction by the Facility Agent, shall, at the cost and expense of the Borrower (including legal fees), execute and deliver to the Mortgagor proper documents, certificates and instruments as the Mortgagor may reasonably request to evidence such release, in each case, as prepared by the Mortgagee, without recourse to or representation or warranty by the Mortgagee or the Trustee. Neither the Mortgagee nor the Trustee shall not be responsible for any recording fees.

Section 7.3 **Renewals, Amendments and Other Security Interests.** Without notice or consent of the Mortgagor, renewals and extensions of the written instruments constituting part or all of the Secured Liabilities may be given at any time and amendments may be made to agreements relating to any part of such written instruments or the Collateral in accordance with their terms. To the extent not prohibited by applicable law, the Mortgagee and/or the Trustee may take or hold other Security Interests for the Secured Liabilities without notice to or consent of the Mortgagor. The acceptance of this Deed of Trust by the Mortgagee shall not waive or impair any other security the Mortgagee may have or hereafter acquire to secure the payment of the Secured Liabilities nor shall the taking of any such additional Security Interests waive or impair the Transaction Security and security interests herein granted. The Mortgagee or the Trustee may resort first to such other Security Interests or any part thereof, or first to the Security Interests herein given or any part thereof, or from time to time to either or both, even to the partial or complete abandonment of either Security Interest, and such action will not be a waiver of any rights conferred by this Deed of Trust. This Deed of Trust may not be amended, waived or modified except in a written instrument executed by both the Mortgagor and the Mortgagee. The provisions of this Section 7.3 are granted to the extent permissible by applicable law.

Section 7.4 **Deed of Trust, Security Agreement, Financing Statement Covering As-Extracted Collateral and Fixture Filing.** This Deed of Trust will be deemed to be and may be enforced from time to time as an assignment, contract, financing statement, real estate deed of trust, mortgage, pledge or security agreement, and from time to time as any one or more thereof if appropriate under applicable state law. As a financing statement and as a fixture filing with respect to fixture collateral, and subject to Subsection (4) of Section 9-301 of the UCC, as amended, modified or succeeded, this Deed of Trust is intended to cover all Personalty Collateral including, but not limited to, the Mortgagor's interest in all personal property included within the Collateral, all Hydrocarbons as and after they are extracted, all As-Extracted Collateral, and all accounts arising from the sale thereof at the wellhead. This Deed of Trust shall be effective as a financing statement filed as a fixture filing with respect to Fixture Collateral included within the Collateral. This Deed of Trust shall be filed in the real property records of the county or counties in the state in which any part of the Realty Collateral is located or any county adjacent to the area of the Outer Continental Shelf in which the Realty Collateral is located. At the Mortgagee's request, the Mortgagor shall deliver financing statements covering the Personalty Collateral, including all Hydrocarbons sold at the wellhead, and Fixture Collateral, which financing statements may be filed in the UCC records or other appropriate office of the county or state in which any of the Collateral is located or in any other location permitted or required to perfect the Mortgagee's security interest under the UCC. In addition, the Mortgagor hereby irrevocably authorizes the Mortgagee (without obligation) and any affiliate, employee or agent thereof, at any time and from

time to time, to file in any UCC jurisdiction any financing statement or document and amendments thereto, without the signature of the Mortgagor where permitted by law, in order to perfect or maintain the perfection of any security interest granted under this Deed of Trust and the Mortgagee agrees to promptly provide to the Mortgagor a copy of any such filing. A photographic or other reproduction of this Deed of Trust shall be sufficient as a financing statement.

Section 7.5 **Unenforceable or Inapplicable Provisions**. If any term, covenant, condition or provision hereof is invalid, illegal or unenforceable in any respect, the other provisions hereof will remain in full force and effect and will be liberally construed in favor of the Mortgagee and the Trustee in order to carry out the provisions hereof.

Section 7.6 **Rights Cumulative**. Each and every right, power and remedy herein given to the Mortgagee or the Trustee will be cumulative and not exclusive, and each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by the Mortgagee or the Trustee, as the case may be, and the exercise, or the beginning of the exercise, of any such right, power or remedy will not be deemed a waiver of the right to exercise, at the same time or thereafter, any other right, power or remedy. No delay or omission by the Mortgagee or the Trustee in the exercise of any right, power or remedy will impair any such right, power or remedy or operate as a waiver thereof or of any other right, power or remedy then or thereafter existing.

Section 7.7 **Waiver by Mortgagee**. Any and all covenants in this Deed of Trust may from time to time by instrument in writing by Mortgagee (acting upon the direction of the Majority Lenders), be waived to such extent and in such manner as the Mortgagee may desire, but no such waiver will ever affect or impair the Mortgagee's or the Trustee's rights, duties or protections hereunder, as applicable, except to the extent specifically stated in such written instrument.

Section 7.8 **Terms**. The term "Mortgagor" as used in this Deed of Trust will be construed as singular or plural to correspond with the number of persons executing this Deed of Trust as Mortgagor. If more than one person executes this Deed of Trust as Mortgagor, his, her, its, or their duties and liabilities under this Deed of Trust will be joint and several. The terms "Mortgagee", "Trustee" and "Mortgagor" as used in this Deed of Trust include the heirs, executors or administrators, successors, representatives, receiver, trustees and assigns of those parties. Unless the context otherwise requires, terms used in this Deed of Trust which are defined in the UCC are used with the meanings therein defined.

Section 7.9 **Counterparts**. This Deed of Trust may be executed in any number of counterparts, each of which will for all purposes be deemed to be an original, and all of which are identical except that, to facilitate recordation, in any particular counties counterpart portions of Exhibit A hereto which describe Properties situated in counties other than the counties in which such counterpart is to be recorded may have been omitted.

Section 7.10 **Indemnification**. **MORTGAGOR AGREES THAT THIS DEED OF TRUST AND ITS CONTENTS ARE SUBJECT TO THE PROVISIONS OF CLAUSE 18.4 (INDEMNITY TO THE SECURITY AGENT) OF THE FACILITY AGREEMENT AND ALL SUCH PROVISIONS ARE HEREBY INCORPORATED HEREIN, MUTATIS**

MUTANDIS, BY REFERENCE AND MADE APPLICABLE TO THIS DEED OF TRUST AS IF SET FORTH IN FULL HEREIN.

Section 7.11 **Governing Law.** This Deed of Trust shall be governed by and construed in accordance with the laws of the State of Texas and applicable United States of America federal law.

Section 7.12 **Notices.** All notices required or permitted to be given by Mortgagor or Mortgagee shall be made in the manner set forth in the Facility Agreement and shall be addressed as follows:

Mortgagor: INEOS Energy Petroleum Offshore USA Inc.
Anchor House, 15-19 Britten Street
London, England, SW3 3TY
Attention: Andrew Pizzey
Email: andrew.pizzey@ineos.com

Mortgagee: DNB Bank ASA, London Branch
8th Floor, The Walbrook Building, 25 Walbrook,
London EC4N 8AF
Attention: Credit Middle Office & Agency
Email: cmoalondon@dnb.no

With copies (which shall not constitute notice) to:

Bracewell LLP
711 Louisiana Street, Suite 2300
Houston, TX 77002
Attention: Stephanie Song
Email: stephanie.song@bracewell.com

Trustee: Any notices to be given to the Trustee shall be delivered to the Mortgagee.

Section 7.13 **Condemnation.** All awards and payments heretofore and hereafter made for the taking of or injury to the Collateral, or any portion thereof, whether such taking or injury be done under the power of eminent domain or otherwise shall be paid as provided in Clause 22.1 (*Payments in Project Accounts*) of the Facility Agreement.

Section 7.14 **Insurance Proceeds.** The Mortgagor hereby agrees and irrevocably pledges to the Mortgagee, for its benefit and the benefit of the Secured Parties, and its successors and assigns, for the purpose of securing the Secured Liabilities, but subject to the Finance Documents, the Mortgagor's rights under policies of insurance covering any Collateral, including the right to receive any proceeds attributable to insurance loss of such Property.

Section 7.15 **[Reserved.]**

Section 7.16 **Successors and Assigns.**

(a) This Deed of Trust is binding upon the Mortgagor, the Mortgagor's successors and assigns, and shall inure to the benefit of each Secured Party and each of its successors and assigns (to the extent such successors and assigns constitute Secured Parties), and the provisions hereof shall likewise be covenants running with the land.

(b) Subject to subsection (d) below, this Deed of Trust shall be transferable, with the same force and effect and to the same extent as the Secured Liabilities may be transferable, it being understood that, upon the legal transfer or assignment by the Mortgagee or the other Secured Parties (or any of them) of any of the Secured Liabilities, the legal holder of such Secured Liabilities shall have all of the rights granted to the Mortgagee for the benefit of the Secured Parties under this Deed of Trust or such other transferor Secured Party, respectively. To the extent permitted by applicable law, the Mortgagor specifically agrees that upon any transfer of all or any portion of the Secured Liabilities, this Deed of Trust shall secure with retroactive rank the existing Secured Liabilities of the Mortgagor to the transferee and any and all Secured Liabilities to such transferee thereafter arising.

(c) Mortgagor hereby recognizes and agrees that the Secured Parties (or any of them) may, from time to time and to the extent permitted by the Facility Agreement, one or more times, transfer all or any portion of the Secured Liabilities to one or more third parties. Such transfers may include, but are not limited to, sales of participation interests in such Secured Liabilities in favor of one or more third parties. To the extent permitted by applicable law, upon any transfer of all or any portion of the Secured Liabilities and subject to subsection (d) below, the Collateral shall secure any and all of the Secured Liabilities in favor of such a transferee then existing and thereafter arising, and after any such transfer by the Mortgagee has taken place, the Mortgagee shall be fully discharged from any and all future liability and responsibility to the Mortgagor with respect to such Collateral, and transferee thereafter shall be vested with all the powers, rights and duties with respect to such Collateral.

(d) Notwithstanding anything to the contrary contained herein, including the provisions of subsections (b) and (c) above, when any Bank Hedging Counterparty assigns or otherwise transfers any interest held by it under any Bank Hedging Agreement to any other person pursuant to the terms of such agreement, that other person shall thereupon become vested with all the benefits held by such Secured Party under this Deed of Trust only if such person meets the requirements set forth in the definition of "Bank Hedging Counterparty" in the Facility Agreement.

Section 7.17 **Article and Section Headings.** The article and section headings in this Deed of Trust are inserted for convenience of reference and shall not be considered a part of this Deed of Trust or used in its interpretation.

Section 7.18 **Usury Not Intended.** It is the intent of the Mortgagor and the Mortgagee in the execution and performance of this Deed of Trust, the Facility Agreement and the other Finance Documents to contract in strict compliance with applicable usury laws governing the Secured Liabilities including such applicable usury laws of the State of Texas, the State of New York and the United States of America as are from time to time in effect. In furtherance thereof, the Mortgagee and the Mortgagor stipulate and agree that none of the terms and provisions

contained in this Deed of Trust, the Facility Agreement or the other Finance Documents shall ever be construed to create a contract to pay, as consideration for the use, forbearance or detention of money, interest at a rate in excess of the maximum non-usurious rate permitted by applicable law and that for purposes hereof "interest" shall include the aggregate of all charges which constitute interest under such laws that are contracted for, charged or received under this Deed of Trust, the Facility Agreement and the other Finance Documents; and in the event that, notwithstanding the foregoing, under any circumstances the aggregate amounts taken, reserved, charged, received or paid on the Secured Liabilities, include amounts which by applicable law are deemed interest which would exceed the maximum non-usurious rate permitted by applicable law, then such excess shall be deemed to be a mistake and the Mortgagee shall credit the same on the principal of the Secured Liabilities (or if the Secured Liabilities shall have been paid in full, refund said excess to the Mortgagee). In the event that the maturity of the Secured Liabilities is accelerated by reason of any election of the Mortgagee resulting from an Event of Default, or in the event of any required or permitted prepayment, then such consideration that constitutes interest may never include more than the maximum non-usurious rate permitted by applicable law and excess interest, if any, provided for in this Deed of Trust, the Facility Agreement or other Finance Documents shall be canceled automatically as of the date of such acceleration and prepayment and, if theretofore paid, shall be credited on the Secured Liabilities or, if the Secured Liabilities shall have been paid in full, refunded to Mortgagee. In determining whether or not the interest paid or payable under any specific contingencies exceeds the maximum non-usurious rate permitted by applicable law, Mortgagee and Mortgagee shall to the maximum extent permitted under applicable law amortize, prorate, allocate and spread in equal part during the period of the full stated term of the Secured Liabilities, all amounts considered to be interest under applicable law of any kind contracted for, charged, received or reserved in connection with the Secured Liabilities.

Section 7.19 **Conflicts**. To the fullest extent possible, the terms and provisions of the Facility Agreement shall be read together with the terms and provisions of this Deed of Trust so that the terms and provisions of this Deed of Trust do not conflict with the terms and provisions of the Facility Agreement; provided, however, notwithstanding the foregoing, in the event that any of the terms or provisions of this Deed of Trust conflict with any terms or provisions of the Facility Agreement, the terms or provisions of the Facility Agreement, as applicable, shall govern and control for all purposes; provided that the inclusion in this Deed of Trust of terms and provisions, supplemental rights or remedies in favor of the Mortgagee not addressed in the Facility Agreement shall not be deemed to be a conflict with the Facility Agreement and all such additional terms, provisions, supplemental rights or remedies contained herein shall be given full force and effect; and provided further that nothing contained in this Section 7.19 shall diminish or preclude the granting of the deeds of trust, mortgages, pledges, hypothecations, collateral assignments and security interests in this Deed of Trust, limit the ability of the Mortgagee or the Trustee, as applicable, to enforce this Deed of Trust by ordinary or executory process, or otherwise, or detract from the provisions of Section 7.23 hereof.

Section 7.20 **No Offsets, Etc.** The Mortgagee hereby represents, warrants, and covenants to Mortgagee that there are no offsets, counterclaims or defenses at law or in equity against this Deed of Trust or the indebtedness secured hereby.

Section 7.21 **Bankruptcy Limitation**. Notwithstanding anything contained herein to the contrary, it is the intention of the Mortgagee, the Mortgagee and the other Secured Parties that the

amount of the Secured Liabilities secured by the Mortgagor's interests in any of its Property shall be in, but not in excess of, the maximum amount permitted by fraudulent conveyance, fraudulent transfer and other similar law, rule or regulation of any Governmental Authority applicable to the Mortgagor. Accordingly, notwithstanding anything to the contrary contained in this Deed of Trust in any other agreement or instrument executed in connection with the payment of any of the Secured Liabilities, the amount of the Secured Liabilities secured by the Mortgagor's interests in any of its Property pursuant to this Deed of Trust shall be limited to an aggregate amount equal to the largest amount that would not render the Mortgagor's obligations hereunder or the Transaction Security granted to the Mortgagee hereunder subject to avoidance under Section 548 of the United States Bankruptcy Code or any comparable provision of any other applicable law.

Section 7.22 **Non-Judicial Foreclosure in Texas.** In furtherance of the foregoing set forth in Section 6.1 and Section 6.2, on and after the occurrence and during the continuance of an Event of Default (subject to the delivery of any notice to the Borrower required by Section 29.21 (*Acceleration*) of the Facility Agreement), the Trustee, or his substitute, is authorized and empowered and it shall be his special duty at the request of the Mortgagee to sell the Collateral or any part thereof situated in the State of Texas (and any Collateral that is Oil and Gas Property that is under the exclusive jurisdiction of the United States of America where the State of Texas is the jurisdiction adjacent to such Oil and Gas Property), at the courthouse of any county (whether or not the counties in which the Collateral is located are contiguous, if the Collateral is located in more than one county) in the State of Texas in which any part of the Collateral is situated (or is adjacent, in the case of any Collateral that is Oil and Gas Property that is under the exclusive jurisdiction of the United States of America where the State of Texas is the jurisdiction adjacent to such Oil and Gas Property), at public auction to the highest bidder for cash between the hours of ten o'clock a.m. and four o'clock p.m. on the first Tuesday in any month, unless such first Tuesday of such month falls on January 1 or July 4, in which case such sale shall take place on the first Wednesday of such month (such sale must begin at the time stated in the notice of sale or not later than three hours after such time), or at such other place, time and date as provided by the statutes of the State of Texas then in force governing sales of real estate under powers of sale conferred by deed of trust (including Section 51.002 of the Texas Property Code, or if and to the extent that such statute is not in force and effect, as provided by any successor statute or statutes of the State of Texas), after having given notice of such sale in accordance with such statutes. Any sale made by the Trustee hereunder may be as an entirety or in such parcels as the Mortgagee may request. To the extent permitted by applicable law, any sale may be adjourned by announcement at the time and place appointed for such sale without further notice except as may be required by law. The sale by the Trustee of less than the whole of the Collateral shall not exhaust the power of sale herein granted, and the Trustee is specifically empowered to make successive sale or sales under such power until the whole of the Collateral shall be sold; and, if the proceeds of such sale of less than the whole of the Collateral shall be less than the aggregate of the Secured Liabilities and the expense of executing this trust as provided herein, this Deed of Trust and the lien hereof shall remain in full force and effect as to the unsold portion of the Collateral just as though no sale had been made; *provided, however*, that the Mortgagor shall never have any right to require the sale of less than the whole of the Collateral but the Mortgagee shall have the right, at its sole election, to request the Trustee to sell less than the whole of the Collateral. The Trustee may, after any request or direction by the Mortgagee, sell not only the Realty Collateral but also the Personalty Collateral and the Fixture Collateral and other interests which are a part of the Collateral, or any part thereof, as a unit and as a part of a single sale, or may sell any part of the

Collateral separately from the remainder of the Collateral. It shall not be necessary for the Trustee to have taken possession of any part of the Collateral or to have present or to exhibit at any sale any of the Collateral. After each sale, the Mortgagee and/or the Trustee shall make to the purchaser or purchasers at such sale good and sufficient conveyances in the name of the Mortgagor, conveying the property so sold to the purchaser or purchasers with special warranty of title of the Mortgagor, subject to any Permitted Security, and shall receive the proceeds of said sale or sales and apply the same as herein provided. The Trustee or his substitute may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by the Trustee, including the posting of notices (but excluding the conduct of sale), but in the name and on behalf of the Trustee, his substitute. If the Trustee or his substitute shall have given notice of sale hereunder, any substitute Trustee thereafter appointed may complete the sale and the conveyance of the property pursuant thereto as if such notice had been given by the substitute Trustee conducting the sale.

Section 7.23 **Acceptance by Mortgagee.** In accordance with the provisions of Texas law, the Mortgagee has accepted the benefits of the Deed of Trust without the necessity of execution by the Mortgagee. Notwithstanding any reference herein to the Facility Agreement, all persons dealing with the Collateral shall be entitled to rely on any document or certificate of the Mortgagee as to the occurrence of an event, such as an Event of Default, and shall not be charged with or forced to review any provision of any other document to determine the accuracy thereof.

Section 7.24 **Notary Public.** The parties relieve and release the undersigned notary public of any duty to produce and attach deed of trust, mortgage or conveyance certificates.

Section 7.25 **[Reserved.]**

Section 7.26 **[Reserved.]**

Section 7.27 **Mortgagee.** In entering this Deed of Trust, the Mortgagee shall be entitled to the benefit of every provision of the Facility Agreement and the other Finance Documents relating to the Security Agent, including, without limitation, the provisions relating to the rights, protections, powers, indemnities, immunities, duties, exculpation or conduct of, affecting the liability of or otherwise affording protection to the Security Agent thereunder. Without limiting the generality of the foregoing and notwithstanding anything contained herein to the contrary, nothing contained in this Deed of Trust shall require the Mortgagee to exercise any discretionary acts, and any provision of this Deed of Trust that authorize or permit the Mortgagee to approve, consent to, disapprove, request, determine, waive, act or decline to act, in its discretion, shall be subject to the Mortgagee receiving instructions from the Majority Lenders (or such other number or percentage of the Lenders as shall be expressly required under the Facility Agreement or the other Finance Documents) or the Facility Agent, as applicable, to take such action or exercise such rights; *provided, however*, nothing contained in this Section 7.27 shall diminish or preclude the granting of the deeds of trust, mortgages, pledges, and security interests in this Deed of Trust or limit the ability of Mortgagee to enforce this Deed of Trust by ordinary or executory process.

Section 7.28 **Duties, Rights, and Powers of Trustee.** The Trustee shall have no duty to see to any recording, filing or registration of this Deed of Trust or any other instrument in addition or supplemental thereto, or to give any notice thereof, or to see to the payment of or be under any

duty in respect of any tax or assessment or other governmental charge which may be levied or assessed on the Collateral, or any part thereof, or against the Mortgagor, or to see to the performance or observance by the Mortgagor of any of the covenants and agreements contained herein. The Trustee shall not be responsible for the execution, acknowledgment or validity of this Deed of Trust or of any instrument in addition or supplemental hereto or for the sufficiency of the security purported to be created hereby, and makes no representation in respect thereof or in respect of the rights of the Mortgagee. The Trustee shall have the right to consult with counsel upon any matters arising hereunder and shall be fully protected in relying as to legal matters on the advice of counsel. The Trustee shall not incur any personal liability hereunder except for the Trustee's own willful misconduct; and the Trustee shall have the right to rely on any instrument, document or signature authorizing or supporting any action taken or proposed to be taken by him or her hereunder, believed by him or her in good faith to be genuine.

Section 7.29 **Successor Trustee.** The Trustee may resign by written notice addressed to the Mortgagee or be removed at any time with or without cause by an instrument in writing duly executed on behalf of the Mortgagee. In case of the death, resignation or removal of the Trustee, a successor may be appointed by the Mortgagee by instrument of substitution complying with any applicable requirements of law, or, in the absence of any such requirement, without formality other than appointment and designation in writing. Written notice of such appointment and designation shall be given by the Mortgagee to the Mortgagor, but the validity of any such appointment shall not be impaired or affected by failure to give such notice or by any defect therein. Such appointment and designation shall be full evidence of the right and authority to make the same and of all the facts therein recited. Upon the making of any such appointment and designation, this Deed of Trust shall vest in the successor all the estate and title in and to all of the Collateral in or offshore the State of Texas, and the successor shall thereupon succeed to all of the rights, powers, privileges, immunities and duties hereby conferred upon the Trustee named herein, and one such appointment and designation shall not exhaust the right to appoint and designate an additional successor but such right may be exercised repeatedly until the Discharge Date. To facilitate the administration of the duties hereunder, the Mortgagee may appoint multiple trustees to serve in such capacity or in such jurisdictions as the Mortgagee may designate.

Section 7.30 **Retention of Moneys.** All moneys received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent required by law) and the Trustee shall be under no liability for interest on any moneys received by him or her hereunder.

Section 7.31 **ENTIRE AGREEMENT.**

THIS WRITTEN AGREEMENT AND THE OTHER FINANCE DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

(SIGNATURE PAGE TO IMMEDIATELY FOLLOW)

EXECUTED as of the date set forth below and to be effective as of the Effective Date.

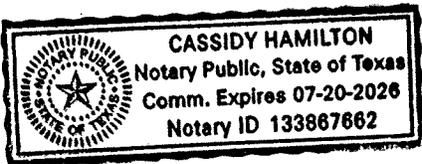
MORTGAGOR:

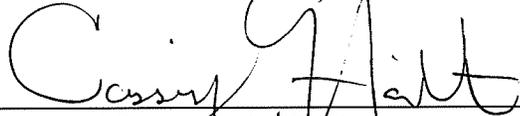
**INEOS ENERGY PETROLEUM OFFSHORE
USA INC.,**
a Delaware corporation

By: 
Name: Heather Osecki
Title: Chief Executive Officer

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on June 12, 2025, by Heather Osecki, Chief Executive Officer of INEOS Energy Petroleum Offshore USA Inc., a Delaware corporation, on behalf of said corporation.




Notary Public, State of TEXAS

Printed Name: CASSIDY HAMILTON
My Commission Number: 133867662
My Commission Expires: 07-20-2026

[NOTARY SEAL]

EXHIBIT A

The designation “Working Interest” or “WI” or “GWI” when used in this Exhibit means an interest owned in an oil, gas, and mineral lease that determines the cost-bearing percentage of the owner of such interest. The designation “Net Revenue Interest” or “NRI” or “NRIO” or “NRIG” means that portion of the production attributable to the owner of a working interest after deduction for all royalty burdens, overriding royalty burdens or other burdens on production, except severance, production, and other similar taxes. The designation “Overriding Royalty Interest” “ORRI” means an interest in production which is free of any obligation for the expense of exploration, development, and production, bearing only its pro rata share of severance, production, and other similar taxes and, in instances where the document creating the overriding royalty interest so provides, costs associated with compression, dehydration, other treating or processing, or transportation of production of oil, gas, or other minerals relating to the marketing of such production. The designation “Royalty Interest” or “RI” means an interest in production which results from an ownership in the mineral fee estate or royalty estate in the relevant land and which is free of any obligation for the expense of exploration, development, and production, bearing only its pro rata share of severance, production, and other similar taxes and, in instances where the document creating the royalty interest so provides, costs associated with compression, dehydration, other treating or processing or transportation of production of oil, gas, or other minerals relating to the marketing of such production. Each amount set forth as “Working Interest” or “WI” or “GWI” or “Net Revenue Interest” or “NRI” or “NRIO” or “NRIG” is the Mortgagor's interest after giving full effect to, among other things, all Security Interests permitted by the Facility Agreement and after giving full effect to the agreements or instruments set forth in this Exhibit A and any other instruments or agreements affecting Mortgagor's ownership of the Hydrocarbons.

Any reference in this Exhibit A to wells or units is for warranty of interest, administrative convenience, and identification and shall not limit or restrict the right, title, interest, or Properties covered by this Deed of Trust. All right, title, and interest of the Mortgagor in the Properties described herein and in Exhibit A are and shall be subject to this Deed of Trust, regardless of the presence of any units or wells not described herein.

The reference to book or volume and page herein and in Exhibit A refer to the recording location of each respective Realty Collateral described herein and in Exhibit A in the county where (or adjacent to the portions of the outer continental shelf where) the land covered by the Realty Collateral is located. Any reference to Serial No. in this Exhibit A refers to the Outer Continental Shelf Lease Number assigned to each respective Realty Collateral by the Department of the Interior, Bureau of Ocean Energy Management.

EXHIBIT A
LEASE LISTING
[see attached]

Exhibit A

**EXHIBIT A
LEASES**

#	BRIEF LEGAL	LEASE OCS-G	LEASE STATUS	EFFECTIVE DATE	OPERATOR	WORKING INTEREST	INEOS ⁽¹⁾ INT TYPE	ROYALTY	THIRD PARTY ORRI (Net % Paid by INEOS ⁽¹⁾)	NET REVENUE INTEREST	ASSET NAME
1.	AC - 0812	G24593	UNIT	12/1/2002	Shell	0%	ORRI	n/a	-	1.20%	GREAT WHITE ORRI
2.	AC - 0813	G17561	UNIT	1/1/1997	Shell	0%	ORRI	n/a	-	1.20%	GREAT WHITE ORRI
3.	AC - 0856	G20870	UNIT	11/1/1998	Shell	0%	ORRI	n/a	-	1.20%	GREAT WHITE ORRI
4.	AC - 0857	G17565	UNIT	1/1/1997	Shell	0%	ORRI	n/a	-	1.20%	GREAT WHITE ORRI
5.	AC - 0859	G20871	UNIT	12/1/1998	Shell	13.34% (10% Unit ownership)	RT	0% (Royalty Relief until 87.5mmbbl cumulative)	-	10.00%	TOBAGO
6.	AC - 0900	G17570	UNIT	1/1/1997	Shell	0%	ORRI	n/a	-	1.20%	GREAT WHITE ORRI
7.	AC - 0901	G17571	UNIT	1/1/1997	Shell	0%	ORRI	n/a	-	1.20%	GREAT WHITE ORRI
8.	DC - 0353	G25852	UNIT	3/1/2004	Shell	25% (E1/2 E1/2); 21% (W1/2, W1/2 E1/2)	RT	12.50%	-	18.38% ⁽²⁾	VICKSBURG
9.	GC - 0243	G20051	PROD	7/1/1998	Walter	45% (NW1/4SW1/4, S1/2S1/2 Surface to 20,500'; and N1/2, NE1/4SW1/4, N1/2SE1/4 Surface to 24,000')	OR	0% (Royalty Relief until 87.5mmbbl cumulative)	QuarterNorth 2.18025% / Wild Well 2.09475%	40.73% ⁽³⁾	ASPEN
					Hess	0%	ORRI		-		4.00% plus additional 10.00% when royalty suspension is granted (NW1/4SW1/4, S1/2S1/2 20,500'-

#	BRIEF LEGAL	LEASE OCS-G	LEASE STATUS	EFFECTIVE DATE	OPERATOR	WORKING INTEREST	INEOS ⁽¹⁾ INT TYPE	ROYALTY	THIRD PARTY ORRI (Net % Paid by INEOS ⁽¹⁾)	NET REVENUE INTEREST	ASSET NAME
										75,000'; and N1/2, NE1/4SW1/4, N1/2SE1/4 24,000'-75,000')	
10.	GC - 0468	G26313	UNIT	5/1/2004	Hess	25.00%	RT	12.50%	-	21.88%	STAMPEDE
11.	GC - 0511	G34551	UNIT	12/1/2012	Hess	25.00%	RT	18.75%	-	20.31%	STAMPEDE
12.	GC - 0512	G26315	UNIT	7/1/2004	Hess	25.00%	RT	12.50%	-	21.88%	STAMPEDE
13.	MC - 0391	G26252	UNIT	7/1/2004	Shell	21%	RT	12.50%	Marubeni Oil & Gas 0.42% / Shell Offshore Inc. 0.42%	17.54%	APPOMATTOX
14.	MC - 0392	G26253	UNIT	7/1/2004	Shell	21%	RT	12.50%	Marubeni Oil & Gas 0.42% / Shell Offshore Inc. 0.42%	17.54%	APPOMATTOX
15.	MC - 0393	G26254	UNIT	7/1/2004	Shell	21%	RT	12.50%	-	18.38%	VICKSBURG
16.	MC - 0502	G24084	PROD	5/1/2002	Eni	25% (Surface to 13,000')	OR	12.50%	-	21.88%	LONGHORN
17.	MC - 0503	G27277	PROD	5/1/2005	LLOG	0%	ORRI	n/a	-	4.00% (4600 Sand)	ABILENE ORRI
18.	MC - 0524	G33161	UNIT	8/1/2009	Shell	20% (18,000'-50,000')	OR	18.75%	-	16.25%	RYDBERG
19.	MC - 0525	G31507	UNIT	3/1/2008	Shell	20.00%	RT	16.66%	-	16.67%	RYDBERG
20.	MC - 0546	G25098	PROD	7/1/2003	Eni	25% (E1/2 Surface to 12,915')	OR	12.50%	-	21.88%	LONGHORN
					Eni	25% (W1/2 Surface to 12,915')	OR	12.50%	-	21.88%	LONGHORN

#	BRIEF LEGAL	LEASE OCS-G	LEASE STATUS	EFFECTIVE DATE	OPERATOR	WORKING INTEREST	INEOS ⁽¹⁾ INT TYPE	ROYALTY	THIRD PARTY ORRI (Net % Paid by INEOS ⁽¹⁾)	NET REVENUE INTEREST	ASSET NAME
					LLOG	50% (W1/2 12,915'-18,415')	OR	12.50%	-	43.75%	WEST ABILENE
					LLOG	0%	ORRI	n/a	-	5.00% (W1/2 12,915'-18,415')	WEST ABILENE ORRI
					LLOG	0%	ORRI	n/a	-	4% (4600 Sand) & 10% (non-4600 Sand) (E1/2)	ABILENE ORRI
					LLOG	100% (18,415'-99,999')	RT	12.50%	-	87.50%	RINGO DEEP
21.	MC - 0547	G32334	PROD	7/1/2008	LLOG	0%	ORRI	n/a	-	4% (4600 Sand)	ABILENE ORRI
22.	MC - 0568	G33163	UNIT	8/1/2009	Shell	20% (NE/4 18,000'-50,000')	OR	18.75%	-	16.25%	RYDBERG
23.	MC - 0569	G31513	UNIT	3/1/2008	Shell	20%	RT	16.66%	-	16.67%	RYDBERG
24.	WR - 0051	G31938	UNIT	12/1/2007	BOE E&P	0%	ORRI	n/a	-	0.50%	SHENANDOAH ORRI
25.	WR - 0052	G25232	UNIT	6/1/2003	BOE E&P	0%	ORRI	n/a	-	0.50%	SHENANDOAH ORRI

(1) INEOS Energy Petroleum Offshore USA Inc., formerly known as CNOOC Petroleum Offshore U.S.A. Inc. ("IEPOU").

(2) Vicksburg DC 353 NRI of 18.375% is shown as the 21% W1/2, W1/2E1/2 is the only portion of the Vicksburg lease that is within the Greater Appomattox Unit and planned to be developed. NRI for the E1/2E1/2 would be 21.875%.

(3) The Aspen NRI excludes IEPOU's incremental working interest resulting from the Castex bankruptcy (~6.8%), as the associated revenue/expenses is handled entirely by the operator Walter through an escrow account and is not reflected on IEPOU's books. This NRI calculation aligns with IEPOU's internal accounting process. If the incremental working interest were to be included, IEPOU's NRI would be calculated to reflect 40.07913678%.

(4) MC72 lease is held by production from a non-IEPOU producing well; IEPOU well has been fully abandoned.

-UNIT - Lease held by unit

-ORRI - Overriding Royalty Interest

-PROD - Lease held by lease production

-ROW - Right of Way

-OR - Operating Rights Interest

-RT - Record Title Interest