

Five Stones Energy, L.L.C.

August 7, 2025

VIA EMAIL

Bureau of Ocean Energy Management
Attention: Adjudication Section (MS WS 231A)
1201 Elmwood Park Boulevard
New Orleans, LA 70123-2394

RECEIVED
ADJUDICATION SECTION
AUG 07 2025

ATTN: Adjudication Unit

**RE: Assignment and Bill of Sale
By and between KLM Royalty Holdings LLC, as Assignor, and
Five Stones Energy, L.L.C., as Assignee
Non-Required Document**

Ladies and Gentlemen:

Enclosed please find one (1) copy of the following document:

Title of Document: Assignment and Bill of Sale

Identities of Parties to the Document: By and between KLM Royalty Holdings LLC, as Assignor, and Five Stones Energy, L.L.C., as Assignee

Lease Affected:

OCS-G 35864, Block 389, Green Canyon
OCS-G 35865, Block 390, Green Canyon
OCS-G 35867, Block 433, Green Canyon
OCS-G 35868, Block 434, Green Canyon
OCS-G 35662, Block 478, Green Canyon

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

Service Fees: pay.gov receipt in payment of the fee incurred by this request is attached

Once this document has been filed in each of the lease records as requested, I would appreciate your stamping and returning one (1) copy to my attention via email: rachael.francioni@llog.com. In the meantime, please do not hesitate to contact me should you have any questions or need any additional information at (985) 801-4794.

Sincerely,

Five Stones Energy, L.L.C.



Rachael L. Francioni
Land Specialist

Attachments

Annette M. Fontana

Lafourche Clerk of Court

Inst # 1392041 CONV

Recorded On: 8/7/2025 10:24 AM

E-Recorded Number of Pages: 9

Brandy M. Hebert

Deputy Clerk

ASSIGNMENT AND BILL OF SALE

This Assignment and Bill of Sale (this “Assignment”) is effective as of May 1, 2025, at 12:00:01 a.m. (Central Time) (the “Effective Time”), from **KLM ROYALTY HOLDINGS LLC**, a Delaware limited liability company, whose address is 16 West 46th Street, 11th Floor, New York, New York 10036 (“Assignor”), to **FIVE STONES ENERGY, L.L.C.**, a Louisiana limited liability company, whose address is 1001 Ochsner Boulevard, Suite 100, Covington, Louisiana 70433 (“Assignee”). Assignor and Assignee are sometimes referred to herein individually as a “Party” and collectively as the “Parties”.

WHEREAS, Assignor desires to sell and deliver to Assignee, and Assignee desires to purchase and accept an undivided twenty-five percent (25%) (out of 100%) (the “Proportionate Share”) of all of Assignor’s right, title and interest in, to and under those certain ORRIs and the Conveyed Assets, as defined below; and

WHEREAS, Assignor is simultaneously selling the remaining undivided seventy-five percent (75%) (out of 100%) of all of Assignor’s right, title and interest in, to and under the ORRIs and the Conveyed Assets to Hadar IV LLC.

Assignor, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms set forth herein, does by these presents grant, bargain, sell, convey, assign, transfer, set over and deliver unto Assignee the Proportionate Share of all of Assignor’s right, title and interest in, to, and under the following, without duplication, except, in each case, to the extent constituting Excluded Assets (collectively, the “Conveyed Assets”):

1. all overriding royalty interests in the leases listed on **Exhibit A**, together with any lands or leases pooled, unitized or communitized therewith (the “Leases”) and in and to the Hydrocarbons in, under and that may be produced therefrom, together with any and all associated rights, to the extent applicable, including all rights to receive profits or income attributable to the ownership thereof (collectively, the “ORRIs” and individually, an “ORRI”);

2. all proceeds, revenues, Hydrocarbons, or other benefits attributable to the ORRIs, including all rights to receive Hydrocarbons produced from or attributable to the Leases derived from the ownership of the ORRIs attributable to periods from and after the Effective Time;

3. all claims and causes of action relating to the ownership of the ORRIs, in each case, attributable to periods from and after the Effective Time;

4. all Contracts listed on Schedule 3.6 to the Purchase and Sale Agreement by which any of the ORRIs are bound, or that relate to or are otherwise applicable to the ORRIs, but solely to the extent the same are attributable to the ORRIs; and

5. the Records; provided, however, that Assignor may retain copies of such Records pursuant to Section 5.1 of the Purchase and Sale Agreement.

SAVING, EXCEPTING AND RESERVING to Assignor, however, all of the following assets (the “Excluded Assets”): (a) except to the extent rights and claims arise from or relate to Assumed Obligations, all credits and all accounts, instruments and general intangibles (as such terms are defined under Law) attributable to the Conveyed Assets with respect to any period of time prior to the Effective Time; (b) except to the extent rights and claims arise from or relate to Assumed Obligations, any and all claims of Assignor for refunds with respect to any Property Taxes for which Assignor is responsible under Section 6.2 of the Purchase and Sale Agreement or any Taxes attributable to the other Excluded Assets; (c) except to the extent rights and claims arise from or relate to Assumed Obligations, all proceeds, payments, income, revenues, rights and economic benefits of every kind and character attributable to (i) the ownership of the Conveyed Assets for any period prior to the Effective Time, or (ii) any other Excluded Assets; (d) all Hydrocarbons produced from or attributable to the Conveyed Assets prior to the Effective Time; (e) all Records (other than title opinions, and memoranda, abstracts of title and title curative documents) of Assignor that (i) are subject to the attorney/client or attorney work product privilege in favor of Assignor, (ii) are subject to confidentiality agreements, or (iii) relate to the offer, negotiation or consummation by Assignor of the possible sale to Third Parties of the Conveyed Assets; (f) all rights and interests of Assignor (i) under any policy or agreement of insurance or indemnity (including any rights, claims or causes of action of Assignor against Third Parties under any indemnity or hold harmless agreements) and any indemnities received in connection with Assignor’s prior acquisition of any of the Conveyed Assets, but in each case, only to the extent that such rights or interests arose from any liability for which Assignor is responsible under the Purchase and Sale Agreement, (ii) under any bond, letter of credit or guarantee, or (iii) relating to existing claims and causes of action that may be asserted against a Third Party, except to the extent such rights and claims described in subparts (i)-(iii) arise from or relate to any Assumed Obligations; (g) except to the extent rights and claims arise from or relate to Assumed Obligations, any other right or interest of Assignor, including claims against Third Parties, to the extent related to the ownership of the Conveyed Assets prior to the Effective Time; (h) all corporate and partnership Income Tax and other Tax records that relate to any of Assignor or its Affiliates’ businesses (whether or not related to the Conveyed Assets), (i) all exchange traded futures contracts, hedges and over-the-counter derivative Contracts of Assignor as to which Assignor has an open position; and (j) all loan agreements, credit agreements, promissory notes and other instruments or agreements for borrowed money, as well as any mortgages, deeds of trust, security agreements, pledge agreements, UCC financing statements or similar instruments or agreements relating thereto.

TO HAVE AND TO HOLD all and singular the Conveyed Assets, together with all rights, titles, interests, estates, remedies, powers and privileges thereto appertaining unto Assignee and its successors, legal representatives, and assigns forever, subject to the following:

1. This Assignment is delivered pursuant to that certain Purchase and Sale Agreement dated August 6, 2025, by and between Assignor and Assignee (as amended, the “Purchase and Sale Agreement”), the terms, conditions, provisions, agreements, representations, warranties and covenants of which are hereby incorporated in this Assignment by this reference, and nothing in this Assignment shall operate to limit, release, or impair any of Assignor’s or Assignee’s respective rights, obligations, remedies or indemnities in the Purchase and Sale Agreement. The Parties

acknowledge and agree that the Purchase and Sale Agreement contains representations, warranties, agreements, covenants and indemnities, which shall not merge with or be superseded by this Assignment, but which shall survive and remain in full force and effect in accordance with the terms of the Purchase and Sale Agreement. Capitalized terms used in this Assignment shall have the meanings prescribed in this Assignment where such capitalized terms are defined; *provided, however*, that unless otherwise specified, capitalized terms used in this Assignment and not otherwise defined herein shall have the meanings given to such terms in the Purchase and Sale Agreement. Each defined term shall be equally applicable both to the singular and the plural forms of the term so defined. To the extent the terms and provisions of this Assignment are in conflict, or inconsistent, with the terms and provisions of the Purchase and Sale Agreement, the terms and provisions of the Purchase and Sale Agreement shall control. For purposes of notice to Third Parties, however, Assignor and Assignee expressly represent and acknowledge that a Third Party may rely on the descriptions of the Conveyed Assets contained herein for purposes of determining title thereto.

2. This Assignment shall extend to, be binding upon, and inure to the benefit of the Parties and their respective successors and assigns.

3. Subject to the indemnities and limitations set forth in the Purchase and Sale Agreement, from and after the date hereof, Assignee assumes and hereby agrees to fulfill, perform, pay and discharge (or cause to be fulfilled, performed, paid and discharged) the Assumed Obligations, and Assignor retains, and hereby agrees to fulfill, perform, pay and discharge (or cause to be fulfilled, performed, paid and discharged), the Retained Liabilities.

4. Assignor hereby agrees and binds itself, its successors and assigns, to warrant and defend, for a period of thirty-six (36) months after the Closing, Defensible Title to the Conveyed Assets, unto Assignee, its successors and assigns, against every Person whomsoever claiming or to claim the same or any part thereof, by, through or under Assignor or its Affiliates, but not otherwise. Assignor hereby assigns and grants to Assignee, its successors and assigns, the benefit of and the right to enforce all rights, claims and causes of action under title representations, warranties, and covenants given or made by others, including Assignor's respective predecessors in interest, with respect to the Conveyed Assets, and Assignee is specifically subrogated to all rights which Assignor may have against such others with respect to the Conveyed Assets, to the maximum extent Assignor may legally transfer such rights and grant such subrogation. **NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS ASSIGNMENT, SUBJECT TO ASSIGNOR'S REPRESENTATIONS AND WARRANTIES MADE IN ARTICLE 3 OF THE PURCHASE AND SALE AGREEMENT AND IN THIS ASSIGNMENT, ALL ORAL INFORMATION OR MATERIALS, DOCUMENTS AND OTHER INFORMATION MADE AVAILABLE TO ASSIGNEE BY ASSIGNOR OR ANY OF ITS REPRESENTATIVES AT ANY TIME IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED HEREBY HAVE BEEN MADE AVAILABLE AS AN ACCOMMODATION AND HAVE BEEN PROVIDED ON AN "AS IS" BASIS. EXCEPT FOR ASSIGNOR'S REPRESENTATIONS AND WARRANTIES SET FORTH IN ARTICLE 3 OF THE PURCHASE AND SALE AGREEMENT AND THE SPECIAL WARRANTY OF DEFENSIBLE TITLE SET FORTH IN THIS ASSIGNMENT, ASSIGNOR MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, WHETHER EXPRESS, IMPLIED OR STATUTORY WITH RESPECT TO THE**

TRANSACTIONS CONTEMPLATED HEREBY. IN NEGOTIATING AND EXECUTING THIS ASSIGNMENT, ASSIGNEE ACKNOWLEDGES AND AGREES THAT IT IS RELYING SOLELY ON ITS OWN DUE DILIGENCE AND INVESTIGATION AND THE TERMS OF THE PURCHASE AND SALE AGREEMENT AND THIS ASSIGNMENT, AND NOT ON ANY ORAL INFORMATION OR MATERIALS, DOCUMENTS OR OTHER INFORMATION PROVIDED BY ASSIGNOR OR ITS REPRESENTATIVES; *PROVIDED*, THAT, THE FOREGOING SHALL IN NO WAY LIMIT ASSIGNOR'S REPRESENTATIONS AND WARRANTIES SET FORTH IN ARTICLE 3 OF THE PURCHASE AND SALE AGREEMENT OR THE SPECIAL WARRANTY OF DEFENSIBLE TITLE SET FORTH IN THIS ASSIGNMENT. TO THE MAXIMUM EXTENT OF THE LAW, EXCEPT FOR ASSIGNOR'S REPRESENTATIONS AND WARRANTIES SET FORTH IN ARTICLE 3 OF THE PURCHASE AND SALE AGREEMENT AND THE SPECIAL WARRANTY OF DEFENSIBLE TITLE SET FORTH IN THIS ASSIGNMENT, ANY RELIANCE UPON, OR CONCLUSIONS DRAWN FROM ANY ORAL INFORMATION OR MATERIALS, DOCUMENTS OR OTHER INFORMATION PROVIDED BY ASSIGNOR OR ITS REPRESENTATIVES TO ASSIGNEE OR ITS REPRESENTATIVES SHALL BE AT ASSIGNEE'S SOLE RISK AND SHALL NOT GIVE RISE TO ANY LIABILITY OF ASSIGNOR. EXCEPT FOR ACTIONS ARISING FROM A BREACH OF ASSIGNOR'S REPRESENTATIONS AND WARRANTIES SET FORTH IN ARTICLE 3 OF THE PURCHASE AND SALE AGREEMENT, IN THE SPECIAL WARRANTY OF DEFENSIBLE TITLE SET FORTH IN THIS ASSIGNMENT, OR ARISING FROM ANY BREACH OF ASSIGNOR'S COVENANTS AND AGREEMENTS SET FORTH IN THE PURCHASE AND SALE AGREEMENT, ASSIGNEE RELEASES AND WAIVES ANY CLAIMS ARISING UNDER THIS ASSIGNMENT, COMMON LAW OR ANY STATUTE ARISING OUT OF OR RELATED TO ASSIGNEE'S DUE DILIGENCE AND ANY ORAL INFORMATION OR MATERIALS, DOCUMENTS OR OTHER INFORMATION PROVIDED BY ASSIGNOR OR ITS REPRESENTATIVES. THE PARTIES HEREBY ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED BY SOPHISTICATED COUNSEL IN CONNECTION WITH THE NEGOTIATION AND EXECUTION OF THIS ASSIGNMENT, THE PURCHASE AND SALE AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY, *PROVIDED, HOWEVER, THAT* FOR THE SAKE OF CLARITY, NOTWITHSTANDING ANYTHING STATED IN THE PURCHASE AND SALE AGREEMENT AND THIS ASSIGNMENT TO THE CONTRARY, ASSIGNEE IN NO WAY WAIVES OR RELEASES ANY RIGHTS OR CLAIMS IT HAS OR MAY HAVE UNDER THE PURCHASE AND SALE AGREEMENT OR WITH RESPECT TO THE SPECIAL WARRANTY OF DEFENSIBLE TITLE SET FORTH IN THIS ASSIGNMENT.

5. This Assignment shall be governed and construed in accordance with the Laws of the State of Texas, without regard to the Laws that might be applicable under conflicts of laws principles; *provided* that any matter relating to real property shall be governed by the laws of the State where such real property is located. The Parties agree that the appropriate, exclusive and convenient forum for any disputes between any of the Parties hereto arising out of this Assignment or the transactions contemplated hereby shall be in any state or federal court in Harris County, Texas, and each of the Parties hereto irrevocably submits to the jurisdiction of such courts solely in respect of any legal Proceeding arising out of or related to this Assignment. The Parties further

agree that the Parties shall not bring suit with respect to any disputes arising out of this Assignment or the transactions contemplated hereby in any court or jurisdiction other than the above specified courts. The Parties further agree, to the extent permitted by Law, that a final and non-appealable judgment against a Party in any action or proceeding contemplated above shall be conclusive and may be enforced in any other jurisdiction within or outside the United States by suit on the judgment, a certified or exemplified copy of which shall be conclusive evidence of the fact and amount of such judgment. To the extent that any Party hereto has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property, each such party hereby irrevocably (a) waives such immunity in respect of its obligations with respect to this Assignment and (b) submits to the personal jurisdiction of any court described above. THE PARTIES TO THIS ASSIGNMENT EACH HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (I) ARISING UNDER THIS ASSIGNMENT OR (II) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF THIS ASSIGNMENT OR ANY OF THE TRANSACTIONS RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE. THE PARTIES TO THIS ASSIGNMENT EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT THE PARTIES TO THIS ASSIGNMENT MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS ASSIGNMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE IRREVOCABLE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

6. The Exhibits to this Assignment are hereby incorporated by reference and constitutes a part of this Assignment.

7. The Parties agree (a) to furnish to each other such further information, (b) to execute, acknowledge and deliver such further agreements, stipulations, and/or instruments of conveyance and transfer and (c) to do such other acts and things, in each case, as the other Party may reasonably request or as otherwise may be reasonably necessary to accomplish the intents and purposes of this Assignment and the Purchase and Sale Agreement, including, without limitation, executing separate assignments of individual oil, gas, and mineral leases or interests therein, which are included in the Conveyed Assets as may reasonably facilitate the recognition of Assignee's ownership of the Conveyed Assets.

8. If any provision of this Assignment is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Assignment shall remain in full force and effect. The Parties further agree that if any provision contained herein is, to any extent, held invalid or unenforceable in any respect under the Laws governing this Assignment, they shall take any actions necessary to render the remaining provisions of this Assignment valid and enforceable to the fullest extent permitted by Law and, to the extent necessary, shall amend or otherwise modify this Assignment to replace any provision contained herein that is held invalid or unenforceable with a valid and enforceable provision giving effect to the intent of the Parties to the greatest extent legally permissible.

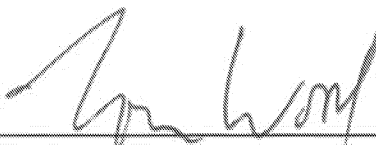
This Assignment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Signature and Acknowledgment Pages Follow]

IN WITNESS WHEREOF, the Parties have executed this Assignment on the dates set forth in their respective acknowledgments hereto, but this Assignment shall be effective for all purposes as of the Effective Time.

ASSIGNOR:

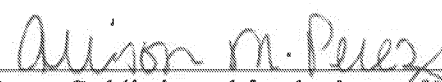
KLM ROYALTY HOLDINGS LLC

By: 
Name: Tom Wood
Title: Managing Member

ACKNOWLEDGMENTS

THE STATE OF NEW YORK §
§
COUNTY OF NEW YORK §


This instrument was acknowledged before me this 6th day of August, 2025, by Tom Wood, known to me to be the Managing Member of **KLM ROYALTY HOLDINGS LLC**, a Delaware limited liability company, who affirmed that the foregoing instrument was signed on behalf of such limited liability company and that the execution of this instrument was the free act and deed of such limited liability company .


Notary Public in and for the State of New York

ALLISON M PEREZ
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01PE0001849
Qualified in Suffolk County
Commission Expires 02/22/2027

ASSIGNEE:


FIVE STONES ENERGY, L.L.C.

By: 
Name: Kem Ducote
Title: Authorized Person

ACKNOWLEDGMENTS

THE STATE OF LOUISIANA §
 §
PARISH OF ST TAMMANY §

This instrument was acknowledged before me this 10TH day of August, 2025, by Kem Ducote, known to me to be an Authorized Person of **FIVE STONES ENERGY, L.L.C.**, a Louisiana limited liability company, who affirmed that the foregoing instrument was signed on behalf of such limited liability company and that the execution of this instrument was the free act and deed of such limited liability company.


Notary Public in and for the State of Louisiana

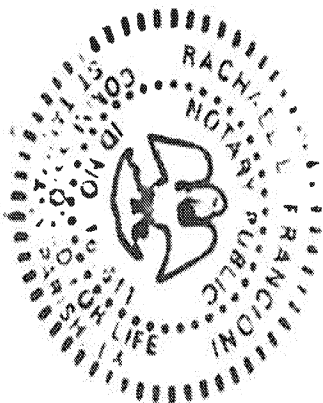
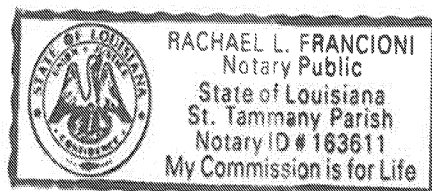


Exhibit A

Leases

1. Oil and Gas Lease of Submerged Lands Under the Outer Continental Shelf Lands Act, bearing Serial No. OCS-G 35864, dated effective August 1, 2016, granted by the United States of America, as Lessor, in favor of Ridgewood Energy Corporation, et al., as Lessee, covering all of Block 389, Green Canyon, OCS Official Protraction Diagram, NG 15-03 (the "GC 389 Lease").
2. Oil and Gas Lease of Submerged Lands Under the Outer Continental Shelf Lands Act, bearing Serial No. OCS-G 35865, dated effective August 1, 2016, granted by the United States of America, as Lessor, in favor of Ridgewood Energy Corporation, et al., as Lessee, covering all of Block 390, Green Canyon, OCS Official Protraction Diagram, NG 15-03 (the "GC 390 Lease").
3. Oil and Gas Lease of Submerged Lands Under the Outer Continental Shelf Lands Act, bearing Serial No. OCS-G 35867, dated effective August 1, 2016, granted by the United States of America, as Lessor, in favor of Ridgewood Energy Corporation, et al., as Lessees, covering all of Block 433, Green Canyon, OCS Official Protraction Diagram, NG 15-03 (the "GC 433 Lease").
4. Oil and Gas Lease of Submerged Lands Under the Outer Continental Shelf Lands Act, bearing Serial No. OCS-G 35868, dated effective August 1, 2016, granted by the United States of America, as Lessor, in favor of Ridgewood Energy Corporation, et al., as Lessee, covering all of Block 434, Green Canyon, OCS Official Protraction Diagram, NG 15-03 (the "GC 434 Lease").
5. Oil and Gas Lease of Submerged Lands Under the Outer Continental Shelf Lands Act, bearing Serial No. OCS-G 35662, dated effective June 1, 2015, granted by the United States of America, as Lessor, in favor of Red Willow Offshore, LLC, et al., as Lessees, covering all of Block 478, Green Canyon, OCS Official Protraction Diagram, NG 15-03 (the "GC 478 Lease").