

LATHAM & WATKINS LLP

VIA FEDEX

August 14, 2025

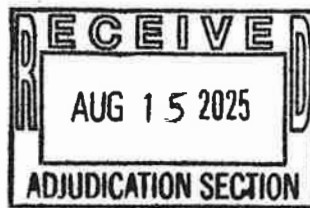
BOEM

Attn: Adjudication

Gulf of Mexico OCS Region

1201 Elmwood Park Boulevard

New Orleans, LA 70123-2394



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File No. 049275-0159

Re: Non-Required Filing – Mortgage

Leases: OCS-G: 18837; 21511; 25328; 28366; 29155

Dear Sir or Madam:

Enclosed please find two copies of an Act of Mortgage, Assignment, Security Agreement and Financing Statement dated April 20, 2011 by and between Poseidon Oil Pipeline Company, L.L.C., as Mortgagor and BNP Paribas, as Administrative Agent, as Mortgagee (the "Mortgage"). This Mortgage creates a security interest that covers the above-referenced leases.

Please file the Mortgage as a **non-required Category 1** document in the Federal Lease Records. Once it has been filed, please return the duplicate stamped copies and this receipt letter to my attention in the enclosed self-addressed Federal Express return envelope.

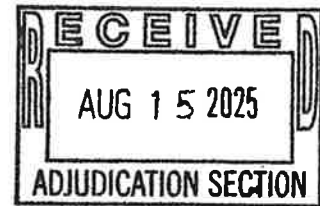
Also enclosed is a receipt evidencing payment of the required online filing fees via Pay.Gov.

Regards,

A handwritten signature in blue ink, appearing to read "Bradley Parkman".

Bradley Parkman
LATHAM & WATKINS LLP

Enclosures



[Louisiana]

**ACT OF MORTGAGE, ASSIGNMENT,
SECURITY AGREEMENT AND FINANCING STATEMENT**

FROM

**POSEIDON OIL PIPELINE COMPANY, L.L.C.
(Taxpayer ID No. 76-0492832)**

TO

**BNP PARIBAS,
AS ADMINISTRATIVE AGENT**

Dated effective as of April 20, 2011

21104451

VERMILION PARISH LA.
RECORDED THIS DAY
2011 APR 26 P 12:24
J. M. Youngblood
CLERK OF COURT

THIS INSTRUMENT IS A MULTIPLE INDEBTEDNESS MORTGAGE

**THIS INSTRUMENT CONTAINS AFTER-ACQUIRED PROPERTY PROVISIONS,
SECURES PAYMENT OF FUTURE ADVANCES AND COVERS PROCEEDS OF
COLLATERAL.**

**THIS INSTRUMENT COVERS, AMONG OTHER PROPERTY, GOODS WHICH ARE OR
MAY BECOME FIXTURES ON IMMOVABLE (REAL) PROPERTY DESCRIBED ON
EXHIBIT A-I HERETO, AND MAY BE FILED FOR RECORD IN THE MORTGAGE
RECORDS AS BOTH A MORTGAGE OF IMMOVABLE (REAL) PROPERTY AND AS A
FIXTURE FINANCING STATEMENT UNDER THE UNIFORM COMMERCIAL CODE.**

**THE MAXIMUM AMOUNT SECURED BY THIS MORTGAGE IS \$500,000,000. (SEE
SECTION 1.03).**

WHEN RECORDED OR FILED RETURN TO:

**Andrews Kurth LLP
600 Travis, Suite 4200
Houston, Texas 77002
Attention: Callie Parker**

CONFORMED COPY

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ACT OF MORTGAGE, ASSIGNMENT,
SECURITY AGREEMENT AND FINANCING STATEMENT

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BE IT KNOWN, that on this 19th day of April, 2011 but dated effective as of April 20, 2011 (the "Effective Date"),

BEFORE ME, the undersigned Notary Public, duly commissioned and qualified in and for the County of Harris, State of Texas, therein residing and in the presence of the witnesses hereinafter named and undersigned, personally came and appeared:

POSEIDON OIL PIPELINE COMPANY, L.L.C., a Delaware limited liability company ("Mortgagor"), whose tax identification number is 76-0492832, and whose mailing address is 1100 Louisiana, Houston, Texas 77002, herein represented by Stephanie Hildebrandt, its duly authorized Senior Vice President, General Counsel and Secretary, duly authorized by resolutions of the members of Mortgagor, a certified copy of which is attached as Exhibit C hereto,

which Mortgagor declared unto me, the undersigned Notary Public, that it does hereby execute this ACT OF MORTGAGE, ASSIGNMENT, SECURITY AGREEMENT and FINANCING STATEMENT (this "Mortgage") in favor of BNP PARIBAS, in its capacity as Administrative Agent (together with its successors and assigns in such capacity, "Mortgagee") on behalf of itself and for the ratable benefit of the Lenders (as defined below).

A. Mortgagor, Mortgagee, in its capacity as Administrative Agent, and the lenders from time to time party thereto (the "Lenders") have entered into that certain Credit Agreement, dated April 20, 2011 (together with all amendments or modifications thereof and supplements thereto, the "Credit Agreement"), whereby the Lenders agreed to make loans to and other extensions of credit on behalf of Mortgagor.

B. The Lenders have conditioned their obligations under the Credit Agreement upon the execution and delivery by Mortgagor of this Mortgage, and Mortgagor has agreed to enter into this Mortgage and deliver same to Mortgagee, for its benefit and the ratable benefit of the Lenders.

C. Therefore, in order to comply with the terms and conditions of the Credit Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

Grant of Lien and Obligations Secured

Section 1.01 Grant of Liens. To secure the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the

Obligations (as hereinafter defined) and the performance of the covenants and obligations of Mortgagor herein contained, Mortgagor does by these presents hereby specially MORTGAGE, AFFECT, PLEDGE and HYPOTHECATE and grant a continuing security interest unto and in favor of Mortgagee, for its benefit and the ratable benefit of the Lenders, in and to the real/immovable and personal/movable Property, rights, titles, interests and estates described in the following paragraphs (a) through (g) (collectively called the "Mortgaged Property"):

(a) All of Mortgagor's rights, titles, interests and estates of whatever kind or character (whether now owned or hereafter acquired by operation of law or otherwise) in and to the lands, tracts and parcels of real/immovable property described in Exhibit A-1 hereto, or otherwise described in any of the right of way grants, easements, servitudes, leases, permits or other instruments described or referred to in Exhibit A-1 hereto, even though such interest of Mortgagor may be incorrectly described in, or omitted from, Exhibit A-1 hereto, whether the title or interest therein is derived from an instrument of record referred to on Exhibit A-1 hereto, some other instrument or document, whether of record or not, or by way of adverse possession, prescriptive use or otherwise (the "Lands") and in the rights-of-way, servitudes, and easements specifically described on Exhibit A-1 hereto;

(b) All of Mortgagor's rights, titles, interests and estates (whether now owned or hereafter acquired by operation of law or otherwise) in and to the pipeline system located on, under and across the Lands (the "Pipeline System"), more particularly illustrated on Exhibit A-2 hereto and all of the rights of way, easements, servitudes, licenses, permits, privileges, franchises, leases, leaseholds, subleases, agreements, contracts, contract rights, tenements and appurtenances and other surface and subsurface rights (including all renewals, extensions, amendments, corrections, counterparts and ratifications thereof and substitutions and replacements therefor) affecting the Lands or the Pipeline System, together with any and all fixtures, improvements, equipment, surface or subsurface machinery, facilities, supplies, replacement parts, vehicles of every description, all process control computer systems and equipment or other property of any kind or nature whatsoever situated on or used in connection with the Lands, the Pipeline System or any of the foregoing (including, without limitation, all buildings, structures, machinery, gas processing plants, stations, substations, pumps, pumping stations, meter houses, metering stations, regulator houses, ponds, tanks, scrapers and scarper traps, pipelines, flow lines, gathering lines, compressors, separators, fittings, valves, connections, meters, tanks, regulators, controls, panels, power facilities, drips, pumps, pumping units, pumping stations, storage or tankage facilities, engines, pipes, gates, appliances, connections, cathodic or electrical protection equipment, fences, buildings and power, telephone and telegraph lines, electrical power lines, poles, wires, casings, radio towers), and any other rights, titles, interests or estates in the Lands, the Pipeline System or any of the foregoing, owned or claimed by Mortgagor and used in connection with the Pipeline System of which the foregoing Properties, immovable/real, movable/personal and mixed, are a part;

(c) The Pipeline System and all pipelines owned and/or operated by Mortgagor for the gathering, transmission or distribution of Hydrocarbons including, without limitation, those pipelines described in Exhibit A-2 hereto and any interests in real/immovable property relating thereto (collectively, the "Pipelines");

(d) All of Mortgagor's interest in and rights under (whether now owned or hereafter acquired by operation of law or otherwise) the agreements described or referred to on Exhibit B hereto, and in each case as the same may be amended, supplemented or modified from time to time;

(e) All of Mortgagor's interest (whether now owned or hereafter acquired by operation of law or otherwise) in and to all equipment, improvements, materials, inventory, supplies, fixtures, goods and other Property, immovable/real or movable/personal, corporeal or incorporeal (including, without limitation, all tanks, pipe, pipelines, flow lines, gathering lines, compressors, separators, meters, valves, controls, panels, power facilities, drips, gates, appliances, connections, cathodic protection equipment, buildings, and power, telephone and telegraph lines) which are now or hereafter used, or held for use, in connection with the Properties described in clauses (a) and (b) above, or in connection with the operation of such Properties, or in connection with the treating, handling, transporting or marketing of Hydrocarbons transported through the Pipeline System, and all accessions and appurtenances thereto and all renewals or replacements thereof or substitutions therefor;

(f) Any Property that may from time to time hereafter, by delivery or by writing of any kind, be subjected to the Lien and security interest hereof by Mortgagor or by anyone on Mortgagor's behalf; and Mortgagee is hereby authorized to receive the same at any time as additional security hereunder;

(g) All oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, carbon dioxide, natural gas liquids, refined petroleum products and other inventory fuels, carbon, chemicals and any all other products refined therefrom constituting line fill in the Pipeline System ("Hydrocarbons") owned by Mortgagor; and

(h) All accounts, chattel paper (whether tangible chattel paper or electronic chattel paper), commercial tort claims, deposit accounts (other than payroll withholding tax and other fiduciary deposit accounts), documents, contract rights, general intangibles, rights under insurance contracts and rights to insurance proceeds, instruments, goods (including, without limitation, all inventory, equipment and fixtures), letter-of-credit rights, and any and all other personal/movable Property of any kind or character as defined in and subject to the Uniform Commercial Code of each jurisdiction applicable to all or any part of the Mortgaged Property (the "UCC") constituting a part of, relating to or arising out of those portions of the Mortgaged Property which are described in paragraphs (a) through (f) above and all proceeds and products of all such portions of the Mortgaged Property, whether such proceeds are goods, money, documents, instruments, chattel paper (whether tangible chattel paper or electronic chattel paper), securities, accounts, general intangibles, fixtures, real/immovable Property, or other assets.

LESS AND EXCEPT and reserving to Mortgagor (x) any and all portions of the above described Property, including, without limitation, rights of way, easements, servitudes, leases and permits, which Mortgagor cannot grant a Lien on or security interest in without the prior consent of the party or parties (or such party's or parties' predecessors in title) from whom Mortgagor acquired such Property and (y) any and all personal property to the extent that (1) any consent of any affiliate of Mortgagor (other than a subsidiary thereof) is required for the grant of

a Lien thereon or a security interest therein and such consent has not been obtained after Mortgagor has made reasonable effort to seek such consent and (II) any consent of any nonaffiliated third party (other than a governmental authority) is required for the grant of a Lien thereon or a security interest therein and such consent has not been obtained (provided that Mortgagor is under no duty to seek such non-affiliated third-party consents (other than the Post-Closing Requirement)); provided that (A) upon the receipt of any such consent referred to in clauses (I) and (II) above, the Lien and security interest granted herein shall automatically attach on such property and (B) notwithstanding the foregoing, accounts, chattel paper, payment intangibles and promissory notes specified in clause (h) above constitute Mortgaged Property in which Mortgagor is granting a security interest, as permitted by Sections 9-406 and 9-408 of the UCC in effect on the date hereof. As to any portion of the above described Property, including, without limitation, rights of way, easements, servitudes, leases and permits as referred to above which Mortgagor cannot grant a Lien on or security interest in without the prior consent of the party or parties (or such party's or parties' predecessors in title) from whom such Property was acquired by Mortgagor, as specified in clause (x) above or as to which consent of an affiliate of Mortgagor or a non-affiliated third party is required as specified in clause (y) above Mortgagor upon obtaining such consent, shall grant to Mortgagee a Lien on and security interest in such Property as to which Mortgagee would otherwise be entitled under the provisions hereunder if a Lien on and security in such Property could be granted without obtaining any such prior consent specified in clauses (x) and (y) above. Mortgagor agrees that it will not, without the prior written consent of Mortgagee, alienate or encumber in favor of any other party any portion of the above described Property as to which such consents cannot be obtained, except as otherwise expressly permitted by the Credit Agreement.

Mortgagor hereby agrees in favor of Mortgagee that it will not mortgage, sell, or hypothecate the Mortgaged Property or any portion thereof to the detriment of this Mortgage.

Section 1.02 Grant of Security Interest. To further secure the Obligations, Mortgagor hereby grants to Mortgagee, for its benefit and the ratable benefit of the Lenders, a continuing security interest in and to the Mortgaged Property (whether now or hereafter acquired by operation of law or otherwise) insofar as the Mortgaged Property consists of accounts, chattel paper (whether tangible chattel paper or electronic chattel paper), commercial tort claims, deposit accounts (other than payroll, withholding tax and other fiduciary deposit accounts), documents, contract rights, general intangibles, rights under insurance contracts and rights to insurance proceeds, Hydrocarbons, instruments, goods (including, without limitation, all inventory, equipment and fixtures), letter-of-credit rights, and any and all other personal/movable Property of any kind or character defined in and subject to the provisions of the UCC, including the proceeds and products from any and all of such personal/movable Property and all collateral security, guarantees and other supporting obligations (as defined in the UCC) with respect to the foregoing (except as specified in Section 1.01 as to property as to which any consent is required).

Section 1.03 Obligations Secured. This Mortgage is executed and delivered by Mortgagor to secure and enforce the following (collectively, the "Obligations"):

(a) Payment of and performance of any and all indebtedness, obligations and liabilities of Mortgagor arising out of or under the Credit Agreement, whether now existing or hereafter arising, by acceleration or otherwise, including without limitation, the indebtedness

evidenced by those certain promissory notes which have been or may be issued by Mortgagor payable to the order of the respective Lenders and being in the aggregate principal amount of \$125,000,000 with final maturity on or before April 20, 2015, and all other notes given in substitution therefor or in modification, renewal or extension thereof, in whole or in part (such notes, as from time to time supplemented, amended or modified and all other notes given in substitution therefor or in modification, renewal or extension thereof, in whole or in part, including, without limitation, any assignment of all or a portion of such notes from the Lenders to another financial institution pursuant to the Credit Agreement being hereafter called the "Notes").

(b) Payment of any sums which may be advanced or paid by Mortgagee or any Lender under the terms hereof on account of the failure of Mortgagor to comply with the covenants of Mortgagor contained herein or in the Credit Agreement; and all other indebtedness of Mortgagor arising pursuant to the provisions of this Mortgage.

(c) Payment of and performance of any and all present or future obligations of Mortgagor according to the terms of any present or future rate swap, rate cap, rate floor, rate collar, forward rate agreement or other rate protection agreement or any option with respect to any such transaction, designed to hedge against fluctuations in interest rates, now existing or hereafter entered into between Mortgagor and Mortgagee or any Lender.

(d) Payment of and performance of any and all other indebtedness, obligations and liabilities of any kind of Mortgagor to Mortgagee or any Lender arising from any Financing Document, now or hereafter existing, arising directly between Mortgagor and Mortgagee or any Lender or acquired outright, as a participation, conditionally or as collateral security from another by Mortgagee or any Lender, absolute or contingent, joint and/or several, secured or unsecured, due or not due, arising by operation of law or otherwise, or direct or indirect, including such indebtedness, obligations and liabilities to Mortgagee or any Lender of Mortgagor as a member of any partnership, syndicate, association or other group, and whether incurred by Mortgagor as principal, surety, endorser, guarantor, accommodation party or otherwise.

(e) All renewals, extensions and modifications of indebtedness described, referred to or mentioned in paragraphs (a) through (d) above, and all substitutions therefor, in whole or in part.

The term "Obligations" as used herein shall mean and include the Credit Agreement and all other indebtedness and obligations described therein and/or referred to or mentioned in paragraphs (a) through (d), inclusive, of this Section 1.03.

It is contemplated and acknowledged that the Obligations may include revolving credit loans and advances from time to time, and that this Mortgage shall have effect as of the date hereof to secure all Obligations, regardless of whether any amounts have been advanced prior to the date hereof or 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 Mortgage secures all future advances and obligations constituting Obligations.

The total amount of obligations and advances secured hereby may decrease or increase from time to time, but at no time shall the total amount of obligations and advances secured hereby exceed the sum of \$500,000,000, which is the maximum secured amount secured by this Mortgage.

Section 1.04 Fixture Filing, Etc. This Mortgage shall be effective as a financing statement filed as a fixture filing with respect to all fixtures included within the Mortgaged Property and may be filed for record in the mortgage records of each parish where any part of the Mortgaged Property (including such fixtures) is located. This Mortgage may be filed for record in the office of the Louisiana State Mineral Board (or any successor agency), the office of the Bureau of Ocean Energy Management, Regulation and Enforcement (or any successor agency) and in each Louisiana parish (a) where any part of the Mortgaged Property is located or (b) which lies shoreward of any Mortgaged Property (i.e., to the extent a particular Mortgaged Property is situated offshore in an area lying within the projected seaward extensions of the relevant parish boundaries).

Section 1.05 Certain Defined Terms. Capitalized terms used in this Mortgage but which are not defined herein shall have the same meanings herein as defined in the Credit Agreement.

Section 1.06 Pro Rata Benefit. This Mortgage is executed and granted for the pro rata benefit and security of the Administrative Agent, the Lenders, any Person secured hereby and any and all future holders of an interest in the Obligations and the interest thereon for so long as same remains unpaid and thereafter for so long as the Administrative Agent, any Lender or any Person secured hereby (or any Affiliate) has any obligations under any Financing Document to lend money, purchase Notes, or issue Letters of Credit or has any obligations under any hedging agreement or Interest Rate Swap Agreement or until the Liens hereby created are released by Mortgagee; it being understood and agreed that possession of any instrument evidencing any part of the Obligations at any time by Mortgagor shall not in any manner extinguish the Obligations, such instruments or this Mortgage securing payment thereof, and Mortgagor shall have the right to issue and reissue any such instrument from time to time as its interest or as convenience may require, without in any manner extinguishing or affecting the Obligations, the obligations under any instrument evidencing any part of the Obligations, or the security of this Mortgage.

ARTICLE II

Assignment

Section 2.01 Assignment of Proceeds. Mortgagor does hereby absolutely and unconditionally assign, transfer, set over and deliver to Mortgagee, its successors and assigns, all of its rights, titles, and interests in and to the Hydrocarbons and the income, revenues, rents, issues, profits and proceeds arising from the Mortgaged Property, whether due, payable or accruing under any and all present and future contracts or other agreements relating to the transmission of the Hydrocarbons or the ownership of all or any portion of the Mortgaged Property (collectively, the "Revenues"). All said Revenues shall be paid directly to Mortgagee with no duty or obligation of any party paying the same to inquire into the right of Mortgagee to receive the same, what application is made thereof, or as to any other matter. Unless and until

revoked by Mortgagee, Mortgagee grants to Mortgagor a license to receive and collect the Revenues and proceeds attributable to the Mortgaged Property, but Mortgagee, acting in its sole discretion following the occurrence of an Event of Default which is continuing, shall have the right to terminate Mortgagor's license to collect such revenues and proceeds by sending to the parties of such contracts or agreements the letters in lieu of transfer orders executed by Mortgagor contemporaneously herewith.

Section 2.02 Further Assurance. Mortgagor agrees to execute and deliver any and all assignments, transfers or any other instruments that may be requested by Mortgagee for the purpose of effectuating payment of such Revenues to Mortgagee upon receipt of written notice from Mortgagee following the occurrence and during the continuation of an Event of Default. Following the occurrence and during the continuation of an Event of Default, all Revenues under purchase, transportation, delivery or sales agreements and in all other proceeds which for any reason may be paid to Mortgagor shall, when received by Mortgagor, constitute trust funds in Mortgagor's hands and shall be immediately paid over to Mortgagee.

Section 2.03 Mortgagee's Rights and Duties; Indemnification. Following the occurrence and during the continuation of an Event of Default, Mortgagee is fully authorized to (i) receive and receipt for said Revenues; (ii) to endorse and cash any and all checks and drafts payable to the order of Mortgagor or Mortgagee for the account of Mortgagor received from or in connection with said Revenues and apply the proceeds thereof to the payment of the Obligations, when received, regardless of the maturity of any of the Obligations, or any installment thereof, and (iii) execute any instrument in the name of Mortgagor to facilitate any of the foregoing. Mortgagee shall not be liable for any delay, neglect, or failure to effect collection of any Revenues or to take any other action in connection therewith or hereunder; but shall have the right, at its election, in the name of Mortgagor or otherwise, to prosecute and defend any and all actions or legal proceedings deemed advisable by Mortgagee in order to collect such funds and to protect the interests of Mortgagee and/or Mortgagor, with all costs, expenses and reasonable attorney's fees reasonably incurred in connection therewith being paid by Mortgagor. Mortgagor hereby agrees to indemnify Mortgagee against all claims, actions, liabilities, judgments, costs, charges and attorneys' fees made against or incurred by them or either of them, based on the assertion that they have had and received funds from the Hydrocarbons claimed by third persons either before or after the payment in full of the Obligations. Mortgagee shall have the right to defend against any such claims, actions and judgments, employing their attorneys therefor, and if they are not furnished with reasonable indemnity, they shall have the right to compromise and adjust any such claims, actions and judgments. Mortgagor agrees to indemnify and pay to Mortgagee any and all such claims, judgments, costs, charges and attorney's fees as may be paid in any judgment, release or discharge thereof or as may be adjudged against Mortgagee. Such obligation shall be payable on demand and shall bear interest from the date of demand therefor until paid at the rate set forth in Section 2.05(c) of the Credit Agreement (the "Default Rate"). Mortgagor hereby appoints Mortgagee as its attorney-in-fact to pursue any and all rights of Mortgagor to Liens and security interests on the Hydrocarbons securing payment of Revenues attributable to such Hydrocarbons. Mortgagor hereby further transfers and assigns to Mortgagee any and all such Liens and security interests, financing statements or similar interests of Mortgagor attributable to its interest in the Hydrocarbons and proceeds therefrom arising under or created by said statutory provision, judicial decision or otherwise. The power of

attorney granted to Mortgagee in this paragraph, being coupled with an interest, shall be irrevocable so long as the Obligations or any part thereof remains unpaid.

Section 2.04 No Modification of Mortgagor's Obligation. Nothing herein contained shall modify or otherwise alter the obligation of Mortgagor to make prompt payment of all principal and interest owing on the Obligations when and as the same become due regardless of whether the Revenues described in this Article II are sufficient to pay the same, and the rights provided in accordance with this Article II shall be cumulative of all other security of any and every character now or hereafter existing to secure payment of the Obligations. Nothing in this Article II is intended to be an acceptance of collateral in satisfaction of the Obligations.

ARTICLE III

Representations, Warranties and Covenants

By execution of this Mortgage, Mortgagor does hereby adopt and ratify all Mortgagor's warranties, representations and covenants set forth in the Credit Agreement, and all the warranties, representations and covenants set forth in the Credit Agreement as they relate to the properties described on Exhibits A-1 and A-2 are hereby made and adopted with respect to the properties listed on Exhibits A-1 and A-2 hereto. In addition, the Mortgagor hereby represents, warrants and covenants as follows:

Section 3.01 Title. Except for Liens expressly permitted by the Credit Agreement, Mortgagor has good and indefeasible title to and is possessed of the Mortgaged Property (to the extent constituting immovable property) and has marketable title to the Mortgaged Property (to the extent constituting property other than immovable property). The Mortgaged Property is free of any and all Liens except for Liens expressly permitted under the Credit Agreement and Liens described on Exhibit A-1 hereto (collectively, the "Permitted Encumbrances").

Section 3.02 Defend Title. Except for Liens expressly permitted by the Credit Agreement, (i) this Mortgage is, and always will be kept, a direct first Lien or privilege upon the Mortgaged Property subject only to the Permitted Encumbrances, and (ii) Mortgagor will not create or suffer to be created or permit to exist any Lien or charge prior or junior to or on a parity with the Lien of this Mortgage upon the Mortgaged Property or any part thereof or upon the rents, issues, revenues, profits and other income therefrom. Mortgagor will warrant and defend the title to the Mortgaged Property against the claims and demands of all other persons whomsoever and will maintain and preserve the Lien created hereby so long as any of the Obligations secured hereby remains unpaid. Should Mortgagor's title fail, an adverse claim be made against or a cloud develop upon the title to any part of the Mortgaged Property, Mortgagor agrees it will immediately defend against such adverse claim or take appropriate action to cure such title failure or remove such cloud at Mortgagor's cost and expense, and Mortgagor further agrees that Mortgagee may take such other action as it deems advisable to protect and preserve its interests in the Mortgaged Property, and in such event Mortgagor will indemnify Mortgagee against any and all cost, reasonable attorney's fees and other expenses which it may reasonably incur in defending against any such adverse claim or taking action to cure any such title failure or remove any such cloud.

Section 3.03 Not a Foreign Person. Mortgagor is not a "foreign person" within the meaning of the Internal Revenue Code of 1986, as amended (hereinafter called the "Code"), Sections 1445 and 7701 (i.e. Mortgagor is not a non-resident alien, foreign corporation, foreign partnership, foreign trust or foreign estate as those terms are defined in the Code and any regulations promulgated thereunder).

Section 3.04 Power to Create Lien and Security. Mortgagor has full power and lawful authority to mortgage, affect pledge, hypothecate, assign and convey and grant a security interest in all of the Mortgaged Property in the manner and form herein provided and without obtaining the authorization, approval, consent or waiver of any lessor, sublessor, governmental authority or other Person whomsoever (other than the Pipeline Agreements set forth on Part II of Exhibit B which require counterparty consent).

Section 3.05 Rentals Paid; Leases in Effect. All rentals and other payments due and payable in accordance with the terms of any rights of way, easements, servitudes, permits, licenses, leases or subleases comprising a part of the Mortgaged Property have been duly paid or provided for and all material rights of way, easements, servitudes, permits, licenses, leases or subleases comprising a part of the Mortgaged Property are in full force and effect.

Section 3.06 Abandon. Sales. Mortgagor will not sell, lease, assign, transfer or otherwise dispose or abandon any of the Mortgaged Property except as permitted by the Credit Agreement.

Section 3.07 Pipelines and Pipeline Systems. All Pipelines and Pipeline Systems have been constructed and operated in conformity in all material respects with all applicable Laws of all Governmental Authorities having jurisdiction and are subject to no material penalties on account of past operations.

Section 3.08 Failure to Perform. Mortgagor agrees that if Mortgagor fails to perform any act or to take any action which Mortgagor is required to perform or take hereunder or under the Credit Agreement or pay any money which Mortgagor is required to pay hereunder or under the Credit Agreement, Mortgagee in Mortgagor's name or its own name may, but shall not be obligated to, perform or cause to be performed such act or take such action or pay such money, and any expenses so incurred by Mortgagee and any money so paid by Mortgagee shall be a demand obligation owing by Mortgagor to Mortgagee and Mortgagee, upon making such payment, shall be subrogated to all of the rights of the Person receiving such payment. Each amount due and owing by Mortgagor to Mortgagee pursuant to this Mortgage shall bear interest from the date of such expenditure or payment or other occurrence which gives rise to such amount being owed to such Person until paid at the Default Rate, and all such amounts together with such interest thereon shall be a part of the Obligations described in Section 1.03 hereof.

Section 3.09 Maintenance of Mortgaged Property.

(a) Mortgagor will keep the Mortgaged Property in good condition and repair and will not commit or permit any waste, impairment or deterioration of the same and generally will not do any act by which the value of the Mortgaged Property may become impaired. Mortgagor will pay, or cause to be paid, all rentals and other payments due and payable in

accordance with the terms of any material rights of way, easements, servitudes, permits, licenses, leases or subleases comprising a part of the Mortgaged Property.

(b) Mortgagor will (i) make or will cause to be made, all changes and repairs, structural and non-structural, foreseen and unforeseen, ordinary and extraordinary, which are required pursuant to any governmental requirement or insurance policy required under the Credit Agreement at any time in effect to assure full compliance therewith in all material respects; and (ii) cause the Mortgaged Property to continue to have at all times, in all material respects, the capacity and functional ability to perform, on a continuing basis (subject to normal interruption in the ordinary course of business for maintenance, inspection, service, repair and testing) and in commercial operation, the functions for which it was designed. Mortgagor shall promptly replace, or cause to be replaced, any material Mortgaged Property which may from time to time become worn out, lost, stolen, destroyed, seized, confiscated, damaged beyond repair, obsolete or permanently rendered unfit for use for any reason whatsoever. All material replacement parts shall be free and clear of all Liens other than Permitted Encumbrances, and, except for temporary replacement parts utilized pending installation of permanent replacement parts, shall be of a type customarily used in the industry at such time for such purpose, shall be in as good operating condition as, and shall have a utility and useful life at least equal to, the parts replaced (assuming such replaced parts were in the condition and repair required to be maintained by the terms hereof) and shall have a value at least equal to the parts replaced (assuming such replaced parts were in the condition and repair required to be maintained by the terms hereof). Notwithstanding the foregoing, Mortgagor shall not (except as may be required by any governmental requirement) remove, replace or alter any Mortgaged Property or affix or place any accessory, equipment, part or device on any portion thereof, if such removal, replacement, alteration or addition would impair the originally intended function or use of such Mortgaged Property so as to materially reduce the value of the Mortgaged Property, taken as a whole, or materially and adversely affect the estimated useful life of the Mortgaged Property.

(c) Mortgagor shall preserve, protect and maintain, or cause to be preserved, protected and maintained, in accordance with prudent industry practices its rights in and to all permits, patents, patent applications, trademarks (whether registered or not), trademark applications, trade names, proprietary computer software, or copyrights used in the ordinary course of business and that are necessary for and material to the operation of the Mortgaged Property, except where failure to do so would cause a Material Adverse Effect.

ARTICLE IV

Rights and Remedies

Section 4.01 Event of Default. An "Event of Default" (as defined in the Credit Agreement) shall be an Event of Default hereunder.

Section 4.02 Obligations Due and Payable. Upon the occurrence of any such Event of Default, Mortgagee shall become and be entitled, as of right, without notice and without regard to the adequacy of the Mortgaged Property as security for the Obligation hereby secured, to, declare all of the Obligations to be due and payable whereupon the Obligations shall become immediately due and payable. All costs and expenses (including attorneys' fees) incurred by

Mortgagee or the Lenders in protecting and enforcing their rights hereunder shall constitute a demand obligation owing by Mortgagor and shall draw interest at the Default Rate and shall constitute a portion of the Obligations secured hereby and shall have the benefit of the Lien hereby created.

Section 4.03 Foreclosure. If an Event of Default shall occur and be continuing, the Mortgagee shall become and be entitled, to employ counsel to enforce payment of the obligations secured hereby, cause the Mortgagee to sell the Mortgaged Property in accordance with the power of sale granted herein and the applicable state law, and exercise such other rights and remedies granted herein, in any other Loan Document or by law and equity, which rights and remedies shall be cumulative and not exclusive.

The Mortgagee may sell said Mortgaged Property either as a whole or in separate parcels, and in such order as it may determine. The purchase price shall be payable in lawful money of the United States at the time of the sale. Cumulative of the foregoing and the other provisions of this Section 4.03, as to the Mortgaged Property now or hereafter located in, or otherwise subject to the law of, the State of Louisiana, the Mortgagee may foreclose this Mortgage by filing an action of foreclosure in any parish in Louisiana where any part of the Mortgaged Property is located, or in the Federal Court for the District in which any of the Mortgaged Property is located. Nothing contained herein shall be construed so as to limit in any way the Mortgagee's rights to sell the Mortgaged Property, or any portion thereof, by private sale if, and to the extent that, such private sale is permitted under the laws of the applicable jurisdiction or by public or private sale after entry of a judgment by any court of competent jurisdiction so ordering.

Mortgagor hereby irrevocably appoints the Mortgagee to be the attorney of the Mortgagor and in the name and on behalf of the Mortgagor after the occurrence and during the continuance of an Event of Default 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. At any such sale: (i) whether made under the power herein contained or any other legal enactment, or by virtue of any judicial proceedings or any other legal right, remedy or recourse, it shall not be necessary for the Mortgagee to have physically present, or to have constructive possession of, the Mortgaged Property (the Mortgagor hereby covenanting and agreeing to deliver to the Mortgagee any portion of the Mortgaged Property not actually or constructively possessed by the Mortgagee immediately upon demand by the Mortgagee) and the title to and right of possession of any such property shall pass to the purchaser thereof as completely as if the same had been actually present and delivered to purchaser at such sale, (ii) each instrument of conveyance executed by the Mortgagee shall contain a general warranty of title, binding upon the Mortgagor and its successors and assigns, (iii) each and every recital contained in any instrument of conveyance made by the Mortgagee shall conclusively establish the truth and accuracy of the matters recited therein, including, without limitation, nonpayment of the Obligations, advertisement and conduct of such sale in the manner provided herein and otherwise by law and appointment of any successor Mortgagee hereunder, (iv) any and all prerequisites to the validity thereof shall be conclusively presumed to have been performed, (v) the receipt of the Mortgagee or of such other party or officer making the sale shall be a sufficient discharge to the purchaser or purchasers for

its purchase money and no such purchaser or purchasers, or its assigns or personal representatives, shall thereafter be obligated to see to the application of such purchase money, or be in any way answerable for any loss, misapplication or nonapplication thereof, and (vi) to the extent and under such circumstances as are permitted by law, the Mortgagee may be a purchaser at any such sale, and shall have the right, after paying or accounting for all costs of said sale or sales, to credit the amount of the bid upon the amount of the Obligations in lieu of cash payment.

Section 4.04 Foreclosure for Installments. The Mortgagee shall also have the option to proceed with foreclosure in satisfaction of any installments of the Obligations which have not been paid when due either through the courts in satisfaction of the matured but unpaid portion of the Obligations as if under a full foreclosure, conducting the sale as herein provided and without declaring the entire principal balance and accrued interest due; such sale may be made subject to the unmatured portion of the Obligations, and any such sale shall not in any manner affect the unmatured portion of the Obligations, but as to such unmatured portion of the Obligations this Mortgage shall remain in full force and effect just as though no sale had been made hereunder. It is further agreed that several sales may be made hereunder without exhausting the right of sale for any unmatured part of the Obligations, it being the purpose hereof to provide for a foreclosure and sale of the security for any matured portion of the Obligations without exhausting the power to foreclose and sell the Mortgaged Property for any subsequently maturing portion of the Obligations.

Section 4.05 Separate Sales. The Mortgaged Property may be sold in one or more parcels and to the extent permitted by applicable law in such manner and order as the Mortgagee, in its sole discretion, may elect, it being expressly understood and agreed that the right of sale arising out of any Event of Default shall not be exhausted by any one or more sales.

Section 4.06 Judicial Foreclosure; Receivership. If the Notes or any Obligations shall become due and payable and shall not be promptly paid, the Mortgagee shall have the right and power to proceed by suit or suits for specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted or for any foreclosure hereunder or for the sale of the Mortgaged Property under the judgment or decree of any court or courts of competent jurisdiction, or for the appointment of a receiver pending any foreclosure hereunder or the sale of the Mortgaged Property under the order of a court or courts of competent jurisdiction or under executory or other legal process, or for the enforcement of any other appropriate remedy granted herein, in any of the Financing Documents or by law or equity, which rights and remedies shall be cumulative and not exclusive. Any money advanced by the Mortgagee in connection with any such receivership shall be a demand obligation (which obligation the Mortgagor hereby expressly promises to pay) owing by the Mortgagor to the Mortgagee and shall bear interest from the date of making such advance by the Mortgagee until paid at the Default Rate. In addition, the Mortgagor agrees that, upon the occurrence of an Event of Default or any event or circumstance which, with the lapse of time or the giving of notice, or both, would constitute an Event of Default hereunder, the Mortgagee shall as a matter of right be entitled to the appointment of a receiver or receivers for all or any part of the Mortgaged Property, whether such receivership be incident to a proposed sale (or sales) of such property or otherwise, and without regard to the value of the Mortgaged Property or the solvency of any person or persons liable for the payment of the Obligations, and the Mortgagor does hereby consent to the appointment of such receiver or receivers, waives any and all defenses to such appointment, and

agrees not to oppose any application therefor by the Mortgagee and agrees that such appointment shall in no manner impair, prejudice or otherwise affect the rights of the Mortgagee under Article II hereof. The Mortgagor expressly waives notice of a hearing for appointment of a receiver and the necessity for bond or an accounting by the receiver. Nothing herein is to be construed to deprive the Mortgagee, the Administrative Agent, or any Lender of any other right, remedy or privilege it may now or hereafter have under the law to have a receiver appointed. Any money advanced by the Mortgagee, the Administrative Agent, or any other Lender in connection with any such receivership shall be a demand obligation (which obligation the Mortgagor hereby expressly promises to pay) owing by the Mortgagor to the Mortgagee, the Administrative Agent, or such Lender and shall bear interest from the date of making such advancement by the Mortgagee, the Administrative Agent, or such Lender until paid, at the Default Rate.

Section 4.07 Possession of Mortgaged Property. Mortgagor agrees to the full extent that it lawfully may that in case the above described Notes or any of the Obligations be not paid promptly when due, then and in every such case Mortgagee shall have the right and power to enter into and upon and take possession of all or any part of the Mortgaged Property in the possession of Mortgagor, its successors or assigns, or its or their agents or servants, and may exclude Mortgagor, its successors or assigns, and all Persons claiming under Mortgagor and its or their agents or servants wholly or partly therefrom; and holding the same, Mortgagee may use, administer, operate and control the Mortgaged Property and conduct the business thereof to the same extent as Mortgagor, its successors or assigns, might at the time do and may exercise all rights and powers of Mortgagor, in the name, place and stead of Mortgagor, or otherwise as Mortgagee shall deem best. All reasonable and customary costs, expenses and liabilities incurred by the Mortgagee in administering, managing, operating, and controlling the Mortgaged Property or the collateral shall constitute a demand obligation (which obligation the Mortgagor hereby expressly promises to pay) owing by the Mortgagor to the Mortgagee and shall bear interest from date of expenditure until paid at the Default Rate, all of which shall constitute a portion of the Obligations and shall be secured by this Mortgage and all other Financing Documents.

Section 4.08 Operation of Transfers. To the fullest extent permitted by applicable law, any sale or sales of the Mortgaged Property or any part thereof shall operate to completely and irrevocably divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of Mortgagor of, in and to the premises and the property sold, and shall be a perpetual bar, both at law and in equity, against Mortgagor, its successors and assigns, and against any and all Persons claiming or who shall thereafter claim all or any of the Property sold from, through or under Mortgagor, its successors and assigns; and Mortgagor, if requested by Mortgagee so to do, shall join in the execution and delivery of all proper conveyances, assignments and transfers of the Properties so sold.

Section 4.09 Keeper. In connection with each and all of the foregoing and acting pursuant to the authority granted under Louisiana Revised Statutes 9:5131, et seq. and 9:5136 et seq., Mortgagor hereby expressly designates Mortgagee, or its agents, servants or employees as Keeper of each and all of the Mortgaged Property.

Section 4.10 Remedies Cumulative, Concurrent and Non-Exclusive. Each and every right, power, privilege and remedy herein given to Mortgagee shall be cumulative and in addition

to every other right, power, privilege and remedy granted to the Mortgagee, the Administrative Agent or any Lender under this Mortgage, any other Financing Document and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights, remedies, powers and privileges of a secured party under the applicable Uniform Commercial Code (whether the Uniform Commercial Code is in effect in the jurisdiction where such rights, remedies, powers or privileges are asserted) or any other applicable law or otherwise available in equity, at law or by statute; and each and every right, power, privilege and remedy whether specifically herein given or otherwise existing may be exercised from time to time and so often and in such order as may be deemed expedient by Mortgagee, the Administrative Agent or any Lender, and the exercise, or the beginning of the exercise, or the abandonment, of any such right, power, privilege or remedy shall not be deemed a waiver of the right to exercise, at the same time or thereafter any other right, power, privilege or remedy. No delay or omission by Mortgagee, the Administrative Agent or any Lender in the exercise of any right, power or remedy shall 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 4.11 No Release of Obligations. Neither the Mortgagor nor any other Person hereafter obligated for payment of all or any part of the Obligations shall be relieved of such obligation by reason of (a) the failure of the Mortgagee to comply with any request of the Mortgagor or any other Person so obligated to foreclose the Lien of this Mortgage or to enforce any provision hereunder or under the Credit Agreement; (b) the release, regardless of consideration, of the Mortgaged Property or any portion thereof or interest therein or the addition of any other property to the Mortgaged Property; (c) any agreement or stipulation between any subsequent owner of the Mortgaged Property and the Mortgagee extending, renewing, rearranging or in any other way modifying the terms of this Mortgage without first having obtained the consent of, given notice to or paid any consideration to the Mortgagor or such other Person, and in such event the Mortgagor, Mortgagee and all such other Persons shall continue to be liable to make payment according to the terms of any such extension or modification agreement unless expressly released and discharged in writing by the Mortgagee; or (d) by any other act or occurrence save and except the complete payment of the Obligations and the complete fulfillment of all obligations hereunder or under the Credit Agreement.

Section 4.12 No Impairment of Security. The Lien, security interest and other security rights of the Mortgagee hereunder shall not be impaired by any indulgence, moratorium or release granted by the Mortgagee including, but not limited to, any renewal, extension or modification which the Mortgagee may grant with respect to any of the Obligations, or any surrender, compromise, release, renewal, extension, exchange or substitution which the Mortgagee may grant in respect of the Mortgaged Property or any part thereof or any interest therein, or any release or indulgence granted to any endorser, Mortgagor or surety of any of the Obligations.

Section 4.13 Application of Proceeds. The proceeds of any sale of the Mortgaged Property or any part thereof and all other moneys received by Mortgagee in any proceedings for the enforcement hereof, whose application has not elsewhere herein been specifically provided for, shall be applied (a) first, to the payment of all expenses incurred by Mortgagee incident to the enforcement of this Mortgage, the Notes or any of the Obligations (including, without limiting the generality of the foregoing, expenses of any entry or taking of possession, of any

sale, of advertisement thereof, and of conveyances, and court costs, compensation of agents and employees and legal fees), and to the payment of all other charges, expenses, liabilities and advances incurred or made by Mortgagee under this Mortgage or in executing any trust or power hereunder; (b) second, to the payment of the Notes and the Obligations in such order and manner as Mortgagee may elect; (c) third, to the payment of all expenses incurred by Mortgagee incident to the enforcement of the Credit Agreement; and (d) fourth, to Mortgagor, or as otherwise required by any governmental requirement.

Section 4.14 Remedies Under Uniform Commercial Code. In addition to the rights and remedies provided in this Mortgage, Mortgagee shall have all the rights and remedies of a "secured party" under the UCC of the State of Louisiana and under all other applicable laws of the State of Louisiana. Mortgagee shall have the right to sell, transfer or otherwise dispose of any and all of the Mortgaged Property composed of personal/movable Property and to apply the proceeds thereof toward payment of all costs, expenses, attorney's fees and legal expenses thereby incurred by Mortgagee and toward payment and performance of the Obligations in such order or manner as Mortgagee may elect. Mortgagee shall send Mortgagor reasonable notice of the time and place of any public sale or of the time after which any private sale or the disposition thereof is to be made. The requirement of sending a reasonable notice shall be met if such notice is mailed, postage prepaid, to Mortgagor at the address set forth in the initial recitals hereto at least ten (10) days before the time of such sale or disposition. All expenses of retaking, holding, maintaining, preparing for sale, selling and the like, including Mortgagee's reasonable attorney's fees and legal expenses, shall constitute additional Obligations of Mortgagor and shall be immediately due and payable, and payment of the same shall be secured by and entitled to the benefits of this Mortgage. If the proceeds of any sale or other lawful disposition of the Mortgaged Property by Mortgagee are insufficient to fully pay the Obligations, then Mortgagor shall pay or cause to be paid any deficiency.

Section 4.15 Waivers.

(a) Mortgagee may resort to any security given by this Mortgage or to any other security now existing or hereafter given to secure the payment of any of the Obligations secured hereby, in whole or in part, and in such portions and in such order as may seem best to Mortgagee in its sole and uncontrolled discretion, and any such action shall not in any manner be considered as a waiver of any of the rights, benefits or Liens created by this Mortgage. Mortgagor agrees, to the full extent that it may lawfully so agree, that it will not at any time insist upon or plead or in any manner whatever claim or take the benefit or advantage 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 Mortgage or the absolute sale of the Mortgaged Property or the possession thereof by any purchaser at any sale made pursuant to any provision hereof, or pursuant to the decree of any court of competent jurisdiction; but Mortgagor, for itself and all who may claim through or under it, so far as it or they now or hereafter lawfully may, hereby waives the benefit of all such laws.

(b) Mortgagor for itself, its successors and assigns does by these presents agree and stipulate that it shall be lawful for and Mortgagor does hereby authorize Mortgagee without making a demand or putting in default, putting in default being expressly waived, to cause all and singular the Mortgaged Property 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 Mortgagee may determine to the highest bidder for cash or on such terms as Mortgagee may direct, Mortgagor for itself, its successors and assigns, for purposes of Louisiana executory process only, hereby acknowledging the Obligations and confessing judgment for the full amount of the Notes in principal and interest and all other Obligations secured and to be secured hereby if the same are not paid at maturity.

(c) Mortgagor hereby expressly waives: (a) the benefit of appraisalment as provided for in Articles 2332, 2336, 2723 and 2724 of the Louisiana Code of Civil Procedure and all other laws conferring the same; (b) the demand and 3 days delay accorded by Article 2721 of the Louisiana Code of Civil Procedure; (c) the notice of seizure required by Articles 2293 and 2721 of the Louisiana Code of Civil Procedure; (d) the benefit of any other provisions of Articles 2331, 2722 and 2723 of the Louisiana Code of Civil Procedure; and Mortgagor agrees to the immediate seizure of the Property subject hereto in the event of suit hereon.

(d) Mortgagor for itself and all who may claim through or under Mortgagor waives, to the extent that Mortgagor may lawfully do so under applicable law of the State of Louisiana, any and all rights to have the Mortgaged Property marshalled upon any foreclosure of the Lien and privilege hereof or sold in inverse order of alienation and Mortgagor agrees that Mortgagee may cause the Mortgaged Property to be sold as an entirety or in parcels as Mortgagee may direct.

(e) If any law referred to herein and now in force, of which 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 not thereafter be deemed to constitute any part of the contract herein contained or to preclude the operation or application of the provisions hereof.

Section 4.16 Release of and Resort to Collateral. Mortgagee may release, regardless of consideration, any part of the Mortgaged Property without, as to the remainder, in any way impairing, affecting, subordinating or releasing the Lien created in or evidenced by this Mortgage or its stature as a first and prior Lien in and to the Mortgaged Property, and without in any way releasing or diminishing the liability of any person or entity liable for the repayment of the Obligations. For payment of the Obligations, Mortgagee may resort to any other security therefor held by Mortgagee in such order and manner as Mortgagee may elect. Mortgagee or any future holder or holders of the Obligations may at any time and from time to time release to Mortgagor or its order all or any portion of the funds received from the proceeds of the Hydrocarbons as herein provided without in anywise impairing, releasing or discharging the Lien, privilege and security of this Mortgage or affecting the validity thereof.

Section 4.17 Discontinuance of Proceedings. In case Mortgagee shall have proceeded to invoke any right, remedy or recourse permitted hereunder or under the Credit Agreement and shall thereafter elect to discontinue or abandon same for any reason, Mortgagee shall have the unqualified right so to do and, in such an event, Mortgagor and Mortgagee shall be restored to their former positions with respect to the Obligations this Mortgage, the Credit Agreement, the Mortgaged Property and otherwise, and the rights, remedies, recourses and powers of Mortgagee shall continue as if same had never been invoked.

Section 4.18 INDEMNITY. IN CONNECTION WITH ANY ACTION TAKEN BY THE MORTGAGEE PURSUANT TO THIS MORTGAGE, THE MORTGAGEE, THE ADMINISTRATIVE AGENT, ANY LENDER AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, ATTORNEYS, ACCOUNTANTS AND EXPERTS ("INDEMNIFIED PARTIES") SHALL NOT BE LIABLE FOR ANY LOSS SUSTAINED BY THE MORTGAGOR RESULTING FROM OR OMISSION OF ANY INDEMNIFIED PARTY IN ADMINISTERING, MANAGING, OPERATING OR CONTROLLING THE MORTGAGED PROPERTY INCLUDING SUCH LOSS WHICH MAY RESULT FROM THE ORDINARY NEGLIGENCE OF AN INDEMNIFIED PARTY UNLESS SUCH LOSS IS CAUSED BY THE WILLFUL MISCONDUCT OR GROSS NEGLIGENCE OF AN INDEMNIFIED PARTY, NOR SHALL THE MORTGAGEE AND ANY OTHER INDEMNIFIED PARTY BE OBLIGATED TO PERFORM OR DISCHARGE ANY OBLIGATION, DUTY OR LIABILITY OF THE MORTGAGOR. THE MORTGAGOR SHALL AND DOES HEREBY AGREE TO INDEMNIFY EACH INDEMNIFIED PARTY FOR, AND TO HOLD EACH INDEMNIFIED PARTY HARMLESS FROM, ANY AND ALL LIABILITY, LOSS OR DAMAGE WHICH MAY OR MIGHT BE INCURRED BY ANY INDEMNIFIED PARTY BY REASON OF THIS MORTGAGE OR THE EXERCISE OF RIGHTS OR REMEDIES HEREUNDER, IN EACH CASE, TO THE EXTENT BORROWER WOULD BE REQUIRED TO DO SO PURSUANT TO THE TERMS OF THE CREDIT AGREEMENT; SHOULD THE MORTGAGEE MAKE ANY EXPENDITURE ON ACCOUNT OF ANY SUCH LIABILITY, LOSS OR DAMAGE, THE AMOUNT THEREOF, INCLUDING COSTS, EXPENSES AND REASONABLE OUT OF POCKET ATTORNEYS' FEES, SHALL BE A DEMAND OBLIGATION (WHICH OBLIGATION THE MORTGAGOR HEREBY EXPRESSLY PROMISES TO PAY) OWING BY THE MORTGAGOR TO THE MORTGAGEE AND/OR THE MORTGAGEE AND SHALL BEAR INTEREST FROM THE DATE EXPENDED UNTIL PAID AT THE DEFAULT RATE, SHALL BE A PART OF THE OBLIGATIONS AND SHALL BE SECURED BY THIS MORTGAGE AND ANY OTHER SECURITY DOCUMENT. THE MORTGAGOR HEREBY ASSENTS TO, RATIFIES AND CONFIRMS ANY AND ALL ACTIONS OF THE MORTGAGEE WITH RESPECT TO THE MORTGAGED PROPERTY TAKEN UNDER THIS MORTGAGE. THE LIABILITIES OF THE MORTGAGOR AS SET FORTH IN THIS SECTION 4.18 SHALL SURVIVE THE TERMINATION OF THIS MORTGAGE.

ARTICLE V

Miscellaneous

Section 5.01 Instrument Construed as Mortgage, Etc. This Mortgage may be construed as a mortgage of both real/immovable and personal/movable Property, a conveyance, assignment, security agreement, financing statement, hypothecation or contract, or any one or more of them, in order fully to effectuate the Lien hereof and the purposes and agreements herein set forth.

Section 5.02 Release of Mortgage. If all Obligations secured hereby shall be paid and the Credit Agreement terminated, or if the Lien created hereby shall otherwise be required to be

released pursuant to the Credit Agreement, Mortgagee shall forthwith cause satisfaction and discharge of this Mortgage to be entered upon the record at the expense of Mortgagor and shall execute and deliver or cause to be executed and delivered such instruments of satisfaction and reassignment as may be appropriate. Otherwise, this Mortgage shall remain and continue in full force and effect.

Section 5.03 Severability. If any provision hereof is invalid or unenforceable in any jurisdiction, the other provisions hereof shall remain in full force and effect in such jurisdiction and the remaining provisions hereof shall be liberally construed in favor of Mortgagee in order to effectuate the provisions hereof, and the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of any such provision in any other jurisdiction.

Section 5.04 Successors and Assigns of Parties. The term "Mortgagee" as used herein shall mean and include BNP Paribas and its successors and assigns acting as Administrative Agent for the benefit of any legal owner, holder, assignee or pledgee of any of the Obligations secured hereby. The terms used to designate Mortgagee and Mortgagor shall be deemed to include the respective successors and assigns of such parties.

Section 5.05 Satisfaction of Prior Encumbrance. To the extent that proceeds of the Obligations are used to pay indebtedness secured by any outstanding Lien, charge or prior encumbrance against the Mortgaged Property, such proceeds have been advanced by Mortgagee at Mortgagor's request, and Mortgagee shall be subrogated to any and all rights, security interests and Liens owned by any owner or holder of such outstanding Liens, charges or encumbrances, irrespective of whether said Liens, charges or encumbrances are released, and it is expressly understood that, in consideration of the payment of such other indebtedness by Mortgagee, Mortgagor hereby waives and releases all demands and causes of action for offsets and payments to, upon and in connection with the said indebtedness.

Section 5.06 Subrogation of Mortgagee. This Mortgage is made with full substitution and subrogation of Mortgagee and its successors and assigns in and to all covenants, representations and warranties by others heretofore given or made in respect of the Mortgaged Property or any part thereof.

Section 5.07 Nature of Covenants. The covenants and agreements herein contained shall constitute covenants running with the land and interests covered or affected hereby and shall be binding upon the heirs, legal representatives, successors and assigns of the parties hereto.

Section 5.08 Notices. All notices, requests, consents, demands and other communications required or permitted hereunder shall be given in accordance with the notice provisions of the Credit Agreement; provided that service of notice as required by the laws of any state in which portions of the Mortgaged Property may be situated shall for all purposes be deemed appropriate and sufficient with the giving of such notice.

Section 5.09 Counterparts. This Mortgage is being executed in several counterparts, all of which are identical. Each of such counterparts shall for all purposes be deemed to be an original and all such counterparts shall together constitute but one and the same instrument.

Section 5.10 Exculpation Provisions. EACH OF THE PARTIES HERETO SPECIFICALLY AGREES THAT IT HAS A DUTY TO READ THIS MORTGAGE; AND AGREES THAT IT IS CHARGED WITH NOTICE AND KNOWLEDGE OF THE TERMS OF THIS MORTGAGE; THAT IT HAS IN FACT READ THIS MORTGAGE AND IS FULLY INFORMED AND HAS FULL NOTICE AND KNOWLEDGE OF THE TERMS, CONDITIONS AND EFFECTS OF THIS MORTGAGE; THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL OF ITS CHOICE THROUGHOUT THE NEGOTIATIONS PRECEDING ITS EXECUTION OF THIS MORTGAGE; AND HAS RECEIVED THE ADVICE OF ITS ATTORNEY IN ENTERING INTO THIS MORTGAGE; AND THAT IT RECOGNIZES THAT CERTAIN OF THE TERMS OF THIS MORTGAGE RESULT IN ONE PARTY ASSUMING THE LIABILITY INHERENT IN SOME ASPECTS OF THE TRANSACTION AND RELIEVING THE OTHER PARTY OF ITS RESPONSIBILITY FOR SUCH LIABILITY. EACH PARTY HERETO AGREES AND COVENANTS THAT IT WILL NOT CONTEST THE VALIDITY OR ENFORCEABILITY OF ANY EXCULPATORY PROVISION OF THIS MORTGAGE ON THE BASIS THAT THE PARTY HAD NO NOTICE OR KNOWLEDGE OF SUCH PROVISION OR THAT THE PROVISION IS NOT "CONSPICUOUS."

Section 5.11 Appearance; Resolutions. For purposes of Louisiana law, including but not limited to the availability of executory process, Mortgagor has appeared on this date before the undersigned Notary Public and witnesses in order to execute this Mortgage. Mortgagor declares that attached hereto as Exhibit C and made a part hereof is a certified copy of the resolutions adopted by unanimous consent of the Members of Mortgagor, pursuant to which this Mortgage is executed.

Section 5.12 Governing Law. THIS MORTGAGE SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF LOUISIANA.

Section 5.13 Conflicts. Any conflict between the terms of this Mortgage and the terms of the Credit Agreement shall be resolved by referring to the terms of this Mortgage.

Section 5.14 No Paraph. Mortgagor and Mortgagee acknowledge that no note or other evidence of Obligations has been paraphed for identification with this Mortgage.

Section 5.15 Acceptance. Mortgagee's acceptance of the benefits of this Mortgage for the benefit of the Lenders is presumed without the necessity of the execution of this Mortgage, pursuant to Louisiana Civil Code article 3289.

Section 5.16 Conflicting Provisions. In the event that any of the covenants, representations, warranties or other provisions of this Mortgage relating to any movable/personal property that does not constitute fixtures shall be construed as being in conflict with, rather than as supplementing, the provisions of the Security Agreement (as defined in the Credit

Agreement), then the provisions of the Security Agreement shall prevail over contrary terms in this Mortgage.

Section 5.17 Recording. The Mortgagor will cause this Mortgage and all amendments and supplements thereto and substitutions therefor and all financing statements and continuation statements relating thereto to be recorded, filed, re-recorded and refiled in such a manner and in such places as the Mortgagee shall reasonably request and will pay all such recording, filing, re-recording and refiling taxes, fees and other charges.

Section 5.18 Confession of Judgment. For purposes of executory process the Mortgagor acknowledges the Obligations secured hereby, whether now existing or to arise hereafter, and confesses judgment thereon if not paid when due. Upon the occurrence of an Event of Default and any time thereafter so long as the same shall be continuing, and in addition to all other rights and remedies granted the Mortgagee hereunder, it shall be lawful for and the Mortgagor hereby authorizes the Mortgagee without making a demand or putting the Mortgagor in default, a putting in default being expressly waived, to cause all and singular the Mortgaged Property to be seized and sold after due process of law, the Mortgagor waiving the benefit of any and all laws or parts of laws relative to appraisalment of the Mortgaged Property seized and sold under executory process or other legal process, and consenting that the Mortgaged Property be sold without appraisalment, either in its entirety or in lots or parcels, as the Mortgagee may determine, to the highest bidder for cash or on such other terms as the plaintiff in such proceedings may direct. The Mortgagee shall be granted all rights and remedies granted it hereunder as well as all rights and remedies granted to Mortgagee under Louisiana law including the Uniform Commercial Code then in effect in Louisiana.

Section 5.19 Notary Public. The parties relieve and release the undersigned notary public of any duty to produce and attach mortgage or conveyance certificates.

Section 5.20 Renewals, Amendments and Other Security. Without notice or consent of Mortgagor, renewals and extensions of the written instruments constituting part or all of the Obligations may be given at any time and amendments may be made to agreements relating to any part of such written instruments or the Mortgage Property. Mortgagee may take or hold other security for the Obligations without notice to or consent of Mortgagor. The acceptance of this Mortgage by Mortgagee shall not waive or impair any other security Mortgagee may have or hereafter acquire to secure the payment of the Obligations nor shall the taking of any such additional security waive or impair the Lien and security interests herein granted. Mortgagee may resort first to such other security or any part thereof, or first to the security 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, and such action will not be a waiver of any rights conferred by this Mortgage. This Mortgage may not be amended, waived or modified except in a written instrument executed by both Mortgagor and Mortgagee.

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THUS DONE AND PASSED on the 19 day of April, 2011, but effective as of the Effective Date in my presence and in the presence of the undersigned witnesses who hereunto sign their names with Mortgagor and me, Notary, after reading of the whole.

MORTGAGOR:

WITNESSES TO ALL
SIGNATURES:

POSEIDON OIL PIPELINE COMPANY, L.L.C.

Catherine DeLeonardis
Name: Catherine DeLeonardis

By:

Stephanie Hildebrandt

Stephanie Hildebrandt
Senior Vice President, General Counsel and
Secretary

Jean Stromeyer Eriksson
Name: Jean Stromeyer Eriksson

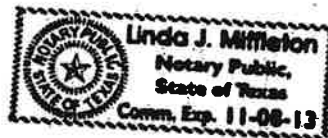
Linda J. Miffleton
Notary Public

Full name as it appears on notarial commission:

LINDA J. MIFFLETON

Notarial Identification Number: _____

My Commission Expires: 11-08-2013



The name and address of the Debtor/Mortgagor is:

**POSEIDON OIL PIPELINE COMPANY, L.L.C.
1100 Louisiana
Houston, Texas 77002**

The name and address of the Secured Party/Mortgagee is:

**BNP PARIBAS,
as Administrative Agent
1200 Smith Street, Suite 3100
Houston, Texas 77002**

COVER SHEET TO

EXHIBIT A-I

Certified copies of the instruments referred to in Exhibit A-1 are attached to certain Acts of Deposit dated February 5, 1997, executed by Poseidon Oil Pipeline Company, L.L.C. and filed for record as follows:

1. Act of Deposit dated February 5, 1997, for Pipeline Right of Way No. OCS-G-15019

<u>Recording Jurisdiction</u>	<u>Date Filed</u>	<u>Recordation</u>
Cameron Parish	2/7/97	Conveyance Book 853, File No. 249342
Iberia Parish	2/7/97	Conveyance Book 1132, Entry No. 97-1222
St. Mary Parish	2/7/97	Conveyance Book 39-W, Entry No. 255815
Vermilion Parish	2/10/97	Conveyance Entry No. 9701985
Mineral Management Adjudication Dept., Non-Required Filings	2/7/97	Right-of-Way No. OCS-G 15019 Service,

2. Act of Deposit dated February 5, 1997, for Pipeline Right of Way No. OCS-G-15024

<u>Recording Jurisdiction</u>	<u>Date Filed</u>	<u>Recordation</u>
Iberia Parish	2/7/97	Conveyance Book 132, Entry No. 97-1221
St. Mary Parish	2/7/97	Conveyance Book 39-W, Entry No. 255816
Terrebonne Parish	2/7/97	Conveyance Book 1543, Entry No. 991732
Minerals Management Adjudication Dept., Non-Required Filings	2/7/97	Right of Way No. OCS-G 15204 Service,

3. Act of Deposit dated February 5, 1997, for Pipeline Right of Way No. OCS-G-16004

<u>Recording Jurisdiction</u>	<u>Date Filed</u>	<u>Recordation</u>
Terrebonne Parish	2/7/97	Conveyance Book 1543, Entry No. 991733
Minerals Management Adjudication Dept., Non-Required Filings	2/7/97	Right of Way No. OCS-G 16004 Service,

Exhibit "A-I"
Poseidon Oil Pipeline Company, L.L.C.

1. **Pipeline Right-of-Way No. OCS-G-15019 (Segment No. 10586)** - Letter of Approval dated August 14, 1995, from the United States Department of the Interior, Minerals Management Service ("MMS") issued to Poseidon Pipeline Company, L.L.C. ("Poseidon"), approving an April 11, 1995 application for a pipeline right-of-way 200 feet in width, as amended and modified as set forth in Letter of Approval dated January 17, 1996, from the MMS. Poseidon assigned all of its right, title and interest in and to said pipeline right-of-way (OCS-G-15019) to Poseidon Oil Pipeline Company, L.L.C. ("Mortgagor") by Right-of-Way Assignment dated as of February 14, 1996, and approved on August 21, 1996, effective as of February 14, 1996 by the MMS as evidenced by Letter of Approval dated August 21, 1996, from the MMS. Said pipeline right-of-way (OCS-G-15019) is for the installation, operation and maintenance of a 16 inch pipeline approximately 45.91 miles in length traversing the following described lands to wit:

Blocks 72, 28 and 29, Garden Banks Area;

Blocks 408, 407, 392, 393, 394, 395, 396, 397, 398, and 399, Vermillion Area, South Addition; and

Blocks 183, 184, 185, 186, 187, 188, 193, 192 and 205, South Marsh Island Area, South Addition.

2. **Pipeline Right-of-Way No. OCS-G-15024 (Segment No. 10597)** - Letter of Approval dated August 14, 1995, from the MMS issued to Poseidon, approving an April 25, 1995 application for a pipeline right-of-way 200 feet in width, as amended as set forth in Letter of Approval dated January 26, 1996, from the MMS. Poseidon assigned all of its right, title and interest in and to said pipeline right-of-way (OCS-G-15024) to Mortgagor by Right-of-Way Assignment dated as of February 14, 1996, and approved on September 5, 1996, effective as of February 14, 1996, by the MMS as evidenced by Letter of Approval dated September 5, 1996, from the MMS. Said pipeline right-of-way (OCS-G-15024) is for the installation, operation and maintenance of a 20 inch pipeline approximately 71.13 miles in length traversing the following described lands to wit:

Blocks 205, 192, 191 and 190, South Marsh Island Area, South Addition;

Blocks 393, 380, 381, 382, 383, 374, 373, 372, 371, 370, 369 and 368, Eugene Island Area, South Addition; and

Blocks 344, 345, 346, 347, 348, 360, 359, 358, 357, 351, 352, 353, 354, 333 and 332, Ship Shoal Area, South Addition.

3. **Pipeline Right-of-Way No. OCS-G-16004 (Segment No. 10903)** - Letter of Approval dated June 10, 1996, from the MMS issued to Mortgagor, approving an application for pipeline right-of-way dated January 18, 1996, as amended January 26, 1996, March 4, 1996, April 4, 1996, May 1, 1996, May 21, 1996, May 23, 1996 and June 5, 1996, and

Supplemented January 26, 1996, January 30, 1996, and April 11, 1996, and further amended by Mortgagor's letter to the MMS dated March 5, 1996, for a pipeline right-of-way 200 feet in width, for the installation, operation and maintenance of a 24 inch pipeline approximately 68.45 miles in length traversing the following described lands to wit:

Blocks 332, 331, 308 and 307, Ship Shoal Area;

Blocks 272, 271, 245, 244, 242, 241, 218, 213, 212, 200, 201, 192, 173, 164, 145, 108, 103, 94, 79 and 70 South Timbalier Area;

Blocks 25, 16, 15, 6 and 5, South Pelto Area; and Block 11, South Timbalier Area.

Lands traversed by the pipelines installed or contemplated under the above right-of-way permits which lie between the three mile line and point of termination of said liens (State of Louisiana submerged lands). Such Lands may be covered by existing or pending permits acquired or to be acquired from the appropriate regulatory agencies.

Lands traversed by the Interconnect Lateral Line, the Mahogany Oil Pipeline and the Larose Pipeline which pipelines are constructed or acquired, or proposed to be constructed or acquired, by Mortgagor and are more particularly described in Exhibit A-2.

Exhibit "A-2"
Poseidon Oil Pipeline Company, L.L.C.
Poseidon Sour Oil System

Phase I - Trunk Line (Route A)

OCS-G-15019
Segment No. 10586

A 16" crude oil pipeline, approximately 237,977.63' (45.07 miles) in length, more particularly described as follows:

Beginning at Flextrend Development Company, L.L.C.'s Platform A located in Block 72, Garden Banks Area, Offshore Louisiana; Thence in a Northeasterly direction across Blocks 72, 28 and 29, Garden Banks Area to a point on the common line between Block 29, Garden Banks Area and Block 408, Vermillion Area, South Addition; Thence continuing Northeasterly across Blocks 408, 407 and 392, Vermillion Area, South Addition to a point in the Southwest Quarter of Block 393, Vermillion Area South Addition; Thence in an Easterly direction across Blocks 393, 394, 395, 396, 397, 398 and 399, Vermillion Area South Addition to a point on the common line between Block 399, Vermillion Area, South Addition and Block 183, South Marsh Island Area South Addition; Thence continuing in an Easterly direction across Blocks 183, 184, 185, 186, 187 and 188, South Marsh Island Area, South Addition to a point in the Southwest Quarter of Block 188 South Marsh Island Area, South Addition; Thence in a Southeasterly direction across Blocks 188, 193, and 192, South Marsh Island Area, South Addition to the point of termination in the Northwest Quarter of Block 205, South Marsh Island Area, South Addition located on the Mobil Oil Exploration and Producing Southeast Inc.'s Platform A.

Phase I - Trunk Line (Route B)

OCS-G-15024
Segment No. 10597

A 20" crude oil pipeline approximately 376,819.71' (71.37 miles) in length, more particularly described as follows:

Beginning at the point of termination of Phase I Trunk Line (Route A) described above at a point in the Northwest Quarter of Block 205, South Marsh Island Area, South Addition, located on the Mobil Oil Exploration and Producing Southeast Inc.'s Platform A; Thence in a Northeasterly direction across Blocks 205, 192, 191 and 190, South Marsh Island Area, South Addition to a point on the common line between Block 190, South Marsh Island Area, South Addition, and Block 393, Eugene Island Area, South Addition; Thence in a Northeasterly direction across Blocks 393, 380, 381, 382, 383, 374, 373, 372, 371, 370, 369 and 368 to a point on the common line of Block 368, Eugene Island Area, South Addition, and Block 344, Ship Shoal Area, South Addition; Thence in an Easterly direction across Blocks 344, 345, 346, 347, 348, 360, 359, 358, 357, 351 and 352, Ship Shoal Area, South Addition; Thence continuing in an Easterly direction across Blocks 353, 354, 333 and 332, Ship Shoal Area, South Addition, to the point of

termination in the Southwest Quarter of Block 332, Ship Shoal Area, South Addition, located on the Louisiana Offshore Gathering Company L.L.C. Platform A.

Phase II - Poseidon Phase II

OCS-G-16004

Segment No. 10903

A 24" crude oil pipeline, approximately 405,385.01' (76.78 miles) in length, more particularly described as follows:

Beginning at the point of termination of Phase I Trunk Line (Route B), described above, at a point at the Southwest Quarter of Block 332, Ship Shoal Area, South Addition located on the Louisiana Offshore Gathering Company L.L.C. Platform A; Thence in a Northerly direction across Blocks 332, 331, 308, and 307, Ship Shoal Area, South Addition to a point on the common line between Block 307, Ship Shoal Area, South Addition and Block 272, South Timbalier Area, South Addition; Thence in a Northeasterly direction across Blocks 272, 271, 244, 245, 242, 241, 218, 213 and 212, South Timbalier Area, South Addition, to a point on the common line between Block 212, South Timbalier Area, South Addition and Block 200, South Timbalier Area; Thence continuing in a Northeasterly direction across Blocks 200, 201 and 192, South Timbalier Area to a point in the Northwest Quarter of Block 192, South Timbalier Area; Thence Northerly across Blocks 192, 173, 164, 145, 108, 103, 94, 79, and 70, South Timbalier Area to a point on the common line between Block 70 South Timbalier Area and Block 25, South Pelto Area; Thence continuing in a Northerly direction across Blocks 25, 16, 15, 6, and 5, South Pelto Area to the Federal/State boundary in Block 11 South Timbalier Area and continuing to Texaco's Tank Battery No. 2 in Caillou Island.

Mahogany Oil Pipeline:

OCS-G-16042

Segment No. 11006

A 20" crude oil pipeline, approximately 8,576' (1.62 miles) in length, more particularly described as follows:

Beginning at a check valve upstream of the launcher on a new platform located at Block 349, Ship Shoal Area, South Addition; Thence in a Southerly direction to a subsea interconnect assembly on the Poseidon 20-inch Phase I Trunk Line (Route B) Pipeline in Block 359, Ship Shoal Area, South Addition.

Lobster Oil Pipeline

OCS-G-14264

Segment No. 10148

A 16" crude oil pipeline approximately 314,066' (59.48 miles) in length, more particularly described as follows:

Beginning at Marathon Oil Company's Platform A in Block 873, across Blocks 872, 871, 827, and 783 Ewing Bank, across Blocks 290, 291, 280, 279, 264, 265, 250, 249, 238, 220, 211, and 212 South Timbalier Area, South Addition, across Blocks 200, 199, 194, 171, 170, 167, 168, 141, and 112 South Timbalier Area, across Blocks 164, 163, and 162, to a subsea tie-in with Texaco Pipeline Inc.'s 20-inch pipeline (OCS-G-3303) in Block 141, Ship Shoal Area.

Phase III - Poseidon Phase III*

The Poseidon Phase III pipeline is a 24' crude oil pipeline that is located in Terrebonne and LaFourche Parishes, Louisiana. The pipeline commences in Terrebonne Bay and is laid in a northerly direction through Lake Barre, Lake Felicity, and Lake Chien areas. At this point it enters the grassy marsh continuing northerly at the Bayou Jean LaCroix Oil and Gas Field. Just north of Humble Canal the pipeline turns northwesterly towards the Bayou Pointe Au Chiene Gas Field and the Pointe Au Chien Wildlife Management Area. After the pipeline traverses through the town of Pointe Au Chiene, the pipeline is located in mostly woods and cane field terrain. The pipeline continues northwesterly through the towns of Montegut, Bourg, and Bayou Blue areas, finally terminating at Texaco Pipeline's Storage facilities located on Coteau Rd. Houma, Louisiana.

The length of the pipeline is approximately 222,258.17' (42.09 miles). It commences at a 24" ANSI 900# subsea ball valve located approximately 1000' east of Texaco's Tank Battery No. 2 in the Caillou Island Gathering Field. The pipeline passes from south to north through the areas listed above in the following order of townships, ranges, and blocks:

T23S - R20E; Blocks 18, 7, 6
T22S - R20E; Blocks 31, 30, 19, 18, 7, 6, 5
T21S - R20E; Blocks 32, 29, 20, 17, 8, 5
T20S - R20E; Blocks 32, 29, 20, 17, 7, 5
T19S - R20E; Blocks 32, 29, 30, 19
T19S - R19E; Blocks 37, 28, 27, 25, 17
T18S - R19E; Blocks 52, 51, 56, 59, 58, 55, 34, 33, 32, 31, 30, 29, 28, 27, 26, 25, 24, 23, 22, 48, 47
T17S - R19E; Block 76
T17S - R19E; Blocks 51, 50, 41, 38, 37, 30, 31, 27, 22, 23
T17S - R17E; Blocks 24, 23, 22, 21, 20

This length does not include the new station piping that was installed to bring the Poseidon crude oil into tankage at the Texaco Pipeline facilities. Included are the linefill calculations generated for all of the new Poseidon Phase III pipeline for reference.

* Note: this Poseidon Phase III pipeline is located entirely on Louisiana land.

EXHIBIT B

PIPELINE AGREEMENTS

PART I

1. Operation and Management Agreement by and between Poseidon Oil Pipeline Company, L.L.C. and Manta Ray Gathering Company, L.L.C. dated as of January 1, 2001 (as amended by the First Amendment dated March 21, 2005 and the Second Amendment dated March 22, 2005).
2. Offshore Connection Agreement dated as of October 18, 2007 by and between Poseidon Oil Pipeline Company, L.L.C. and Shell Pipeline Company LP.
3. Connection Agreement dated as of April 11, 2006 by and between Poseidon Oil Pipeline Company, L.L.C. and Caesar Oil Pipeline Company, LLC.
4. Connection Agreement dated as of December 17, 1999 by and between Poseidon Oil Pipeline Company, L.L.C. and Manta Ray Gathering Company, L.L.C.
5. Connection Agreement dated as of November 14, 2002 by and between Poseidon Oil Pipeline Company, L.L.C. and Shell Pipeline Company LP.
6. Connection Agreement dated as of April 1, 2008 by and between Poseidon Oil Pipeline Company, L.L.C. and Enterprise Field Services, LLC.
7. Connection Agreement dated as of December 18, 2006 by and between Poseidon Oil Pipeline Company, L.L.C. and Enterprise Field Services, LLC.
8. Crude Oil Purchase and Sale Agreement dated as of December 18, 2008 by and between Poseidon Oil Pipeline Company, L.L.C. and Hess Corporation.
9. Oil Purchase and Sale Agreement dated as of February 24, 1997 by and between Poseidon Oil Pipeline Company, L.L.C. and Amerada Hess Corporation.
10. Crude Oil Purchase and Sale Agreement dated as of March 1, 1997 by and between Poseidon Oil Pipeline Company, L.L.C., Enserch Exploration, Inc., Mobil Oil Corporation and Reading & Bates Development Co.
11. Oil Purchase and Sale Agreement dated as of June 1, 2006 by and between Poseidon Oil Pipeline Company, L.L.C. and Anadarko Petroleum Corporation.
12. Crude Oil Purchase and Sale Agreement dated as of April 30, 2008 by and between Poseidon Oil Pipeline Company, L.L.C. and BHP Billiton Petroleum (Deepwater), Inc.
13. Oil Purchase and Sale Agreement dated as of November 25, 2008 by and between Poseidon Oil Pipeline Company, L.L.C. and Repsol Services Company.

14. Oil Purchase and Sale Agreement dated as of July 1, 1996 by and between Poseidon Oil Pipeline Company, L.L.C. and Marathon Oil Company.
15. Oil Purchase and Sale Agreement dated as of June 29, 2009 by and between Poseidon Oil Pipeline Company, L.L.C. and Total E&P USA, Inc.

PART II

1. Offshore Connection Agreement dated as of October 18, 2007 by and between Poseidon Oil Pipeline Company, L.L.C. and Shell Pipeline Company LP.
2. Connection Agreement dated as of April 11, 2006 by and between Poseidon Oil Pipeline Company, L.L.C. and Caesar Oil Pipeline Company, LLC.
3. Connection Agreement dated as of November 14, 2002 by and between Poseidon Oil Pipeline Company, L.L.C. and Shell Pipeline Company LP.
4. Crude Oil Purchase and Sale Agreement dated as of December 18, 2008 by and between Poseidon Oil Pipeline Company, L.L.C. and Hess Corporation.
5. Crude Oil Purchase and Sale Agreement dated as of April 30, 2008 by and between Poseidon Oil Pipeline Company, L.L.C. and BHP Billiton Petroleum (Deepwater), Inc.

EXHIBIT C
RESOLUTIONS
[Attached]

**UNANIMOUS WRITTEN CONSENT
OF THE MEMBERS OF
POSEIDON OIL PIPELINE COMPANY, L.L.C.**

April 20, 2011

The undersigned, being all of the members (the "Members") of POSEIDON OIL PIPELINE COMPANY, L.L.C., a Delaware limited liability company (the "Company"), do hereby consent to the adoption of the following resolutions in lieu of a meeting of the Members of the Company:

WHEREAS, reference is made to that certain Credit Agreement dated as of April 20, 2011, by and among the Company, BNP Paribas, as Administrative Agent ("Administrative Agent"), and the lenders party thereto (the "Lenders") (as amended, modified, supplemented or restated from time to time, the "Credit Agreement"); and

WHEREAS, the Credit Agreement provides for a revolving credit facility in an initial principal amount of \$125,000,000, which such principal amount may be increased in an amount not to exceed \$175,000,000; and

WHEREAS, it is contemplated that, as security for the obligations under the Credit Agreement, the Company may be required to deliver one or more mortgages, assignments, pledges, security agreements, financing statements and other collateral documents pursuant to which the Company will grant to Administrative Agent liens and security interests to or for its benefit and the benefit of the Lenders in the Company's real and/or personal property described therein (collectively, the "Security Documents"); and

WHEREAS, in connection with the Credit Agreement and the Security Documents, the Company will be required to execute notes, certificates, borrowing requests and other agreements, instruments and documents related thereto (collectively, and together with the Credit Agreement and the Security Documents, the "Loan Documents"); and

WHEREAS, the Members, upon the recommendation of the Company's Finance Committee as set forth in the attached Exhibit A, consider that it is in the best interests of the Company to execute, deliver and perform its obligations under the Loan Documents; and

WHEREAS, the Members consider that the consummation of the transactions contemplated hereby is in the best interests of the Company and accordingly, desire to ratify and confirm or authorize and approve, as applicable, the execution and delivery of the Loan Documents and the performance of the Company's obligations thereunder,

including the borrowing of loans under the Loan Documents, and authorize the officers of the Company to do all things and execute and deliver any additional agreements, documents or instruments as may be deemed necessary or advisable by such officers and perform all obligations of the Company under the Loan Documents or as may be otherwise required or advisable by the Company to complete and give effect to the Loan Documents.

NOW, THEREFORE, be it:

RESOLVED, that the entering into, execution and delivery of the Loan Documents by the Company and the performance and consummation by the Company of its obligations contemplated thereby is hereby authorized and approved in all respects;

RESOLVED, FURTHER, that the Company is hereby authorized and approved to borrow under the Loan Documents an aggregate principal amount up to \$125,000,000;

RESOLVED, FURTHER, that the Company is hereby authorized and approved to pay fees and expenses due in connection with the Loan Documents, including (i) an arrangement fee payable to each of BNP Paribas Securities Corp, DnB NOR Markets, Inc. and Mizuho Securities USA Inc. on the closing date of the Credit Agreement, (ii) an administrative agency fee payable to the Administrative Agent on the closing date of the Credit Agreement and each anniversary thereof, (iii) fees and expenses of legal counsel for the Administrative Agent and the Company and (iv) fees and expenses of the Administrative Agent and the Lenders as set forth in the Loan Documents.

RESOLVED, FURTHER, that the granting of liens and security interests by the Company on or in any of its real or personal property, as security for the obligations under the Credit Agreement and the other Loan Documents, is hereby authorized and approved;

RESOLVED, FURTHER, that any officer of the Company be, and each hereby is, authorized, directed and empowered to negotiate, settle the terms of, execute, whether under corporate seal or not as such officer shall determine, and deliver for, in the name of and behalf of the Company, any or all of the Loan Documents, all in such form as such officer may approve;

RESOLVED, FURTHER, that any officer of the Company be, and each hereby is, authorized, directed and empowered to (i) negotiate changes to the terms of the Loan Documents, (ii) execute and deliver any and all amendments to or waivers of the terms of any of the Loan Documents, as so changed, and (iii) take or cause to be taken such other actions as may be necessary, desirable or convenient to carry out the terms of the Loan Documents, to evidence the Company's approval thereof and to effectuate the purpose and intent of these resolutions. The signature of any officer of the Company, whether under corporate seal or not as such officer shall determine, on the Loan Documents, amendments or waivers or any of them, shall conclusively evidence such

officer's approval thereof and of such changes, amendments or waivers, as applicable, and the approval thereof by the Company pursuant to these resolutions;

RESOLVED, FURTHER, that any mortgage that may be executed in connection with the Credit Agreement may contain such terms and provisions (including without limitation a confession of judgment, pact do non aliendo, waiver of delay, appraisal notice and demand, authorization for executor process, and consent to a private sale) and other remedial provisions by the Company as the officer of the Company executing the same may in his sole and absolute discretion deem proper;

RESOLVED, FURTHER, that any execution and delivery as contemplated by these resolutions shall conclusively establish the due authorization and approval of the relevant agreements, documents and instruments pursuant to this resolution and that all of same are absolutely and unconditionally binding upon the Company and the obligations thereunder of the Company are enforceable against it in accordance with their respective terms;

RESOLVED FURTHER, that in addition to and without limiting the foregoing, the officers of the Company and the Assistant Treasurer, Treasury Services, of Enterprise Products Company, a Texas corporation formerly named EPCO, Inc. (or any such person who holds a substantially similar position) (collectively with the officers of the Company, the "Authorized Persons") be, and each of them hereby is, authorized to take, or cause to be taken, such further action and to execute and deliver, or cause to be executed and delivered, for and in the name and on behalf of the Company, all such further instruments and documents (including without limitation borrowing requests under the Loan Documents) as such Authorized Persons may deem to be necessary or advisable in order to effect the purpose and intent of the foregoing resolutions and to be in the best interests of the Company (as conclusively evidenced by the taking of such action or the execution and delivery of such instruments or documents, as the case may be, by or under the direction of any Authorized Person); and

RESOLVED, FURTHER, that all action taken by any Authorized Person for and on behalf of the Company and all documents executed by such Authorized Person for and on behalf of the Company on or prior to the date hereof in connection with the matters referred to in these resolutions are hereby ratified, approved, and confirmed in all respects as the act and deed of the Company.

IN WITNESS WHEREOF, the undersigned Members of the Company have set their hands as of the date first above written.

[Signatures on Following Page]

POSEIDON OIL PIPELINE COMPANY, L.L.C.

Unanimous Written Consent of the Members of Poseidon Oil Pipeline Company, L.L.C.

April 20, 2011

Signatures

POSEIDON PIPELINE COMPANY, L.L.C.

By: 
Ray Cordova
Management Committee Representative

EQUILON ENTERPRISES LLC
(d/b/a Shell Oil Products US)

By: _____
Leslie Tague
Management Committee Representative

MARATHON OIL COMPANY

By: _____
Craig Chambers
Management Committee Representative

POSEIDON OIL PIPELINE COMPANY, L.L.C.

Unanimous Written Consent of the Members of Poseidon Oil Pipeline Company, L.L.C.

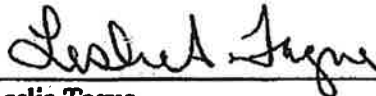
April 20, 2011

Signatures

POSEIDON PIPELINE COMPANY, L.L.C.

By: _____
Ray Cordova
Management Committee Representative

EQUILON ENTERPRISES LLC
(d/b/a Shell Oil Products US)

By:  _____
Leslie Tague
Management Committee Representative

MARATHON OIL COMPANY

By: _____
Craig Chambers
Management Committee Representative

POSEIDON OIL PIPELINE COMPANY, L.L.C.

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April 20, 2011

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POSEIDON PIPELINE COMPANY, L.L.C.

By:

Ray Cordova
Management Committee Representative

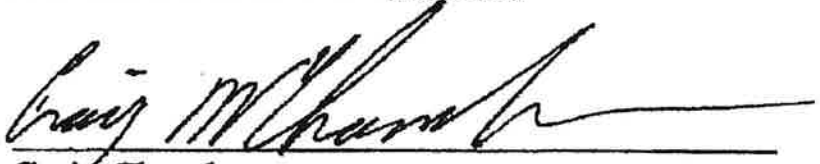
**EQUILON ENTERPRISES LLC
(d/b/a Shell Oil Products US)**

By:

Leslie Tague
Management Committee Representative

MARATHON OIL COMPANY

By:



Craig Chambers
Management Committee Representative

STATE OF LOUISIANA
PARISH OF VERMILION

I HEREBY CERTIFY THAT THE ABOVE AND FOREGOING IS A TRUE
AND CORRECT COPY OF ORIGINAL FILED AND RECORDED ON

BOOK April 26 2011 IN Conv. mtg.
FOLIO 2104451
ALSO IN BOOK _____ FOLIO _____
INDEX NUMBER _____

RECORDS OF VERMILION PARISH, LOUISIANA
AT NEW ORLEANS, LA, THIS 26th DAY OF April 2011
Res. cella
BY CLERK AND RECORDER, VERMILION PARISH, LA