



RECEIVED
ADJUDICATION SECTION
MAY 12 2026

Shell Offshore Inc.

150 N. Dairy Ashford Rd

Houston, TX 77079

Tel +1 832 337 0357

Email: john.munroe@shell.com

VIA EMAIL

May 12, 2026

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

Dear Adjudication Dept:

SUBJECT: NON REQUIRED FILINGS
OCS-G 36962, MISSISSIPPI CANYON BLOCK 477
5 = OVERRIDING ROYALTY, PRODUCTION PAYMENT. NET PROFIT

Enclosed please find an Assignment of Overriding Royalty Interest between **INEOS Energy Petroleum Offshore USA Inc. (Company No. 02079)** and **Shell Offshore Inc. (Company No. 00689)** to be filed in **Non-Required Filing Category 5** (OVERRIDING ROYALTY, PRODUCTION PAYMENT, NET PROFIT) for the above subject leases.

The adjudication fees for this non required filing have been paid and a copy of the payment confirmations received via Pay.gov is enclosed.

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

Sincerely,

John Munroe
Senior Commercial Analyst

Attachments

TERM CONVEYANCE OF OVERRIDING ROYALTY INTEREST

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

This Conveyance of Overriding Royalty Interest (“**Conveyance**”), effective as of April 23, 2026 (“**Execution Date**”), is by Shell Offshore Inc. (“**SOI**”), a Delaware corporation, whose mailing address is P.O. Box 61933, New Orleans, Louisiana 70161 (“**Assignor**”), and INEOS ENERGY PETROLEUM OFFSHORE USA INC. a Delaware corporation, with offices at 9805 Katy Freeway, Suite 675, Houston, Texas 77024 (“**Assignee**”). Assignor and Assignee are sometimes individually referred to as a “**Party**” and collectively referred to herein as the “**Parties**”.

RECITALS

- A. WHEREAS, as part of a transaction in which the Assignee and Assignor entered into a Joint Operating Agreement covering and the Lease (defined below), the Assignor and Assignee also entered into a Decommissioning Security Agreement (the “**DSA**”).
- B. WHEREAS, as part of the DSA, the term overriding royalty interest contemplated by this Conveyance will become payable from time to time.
- C. WHEREAS, Assignor desires to convey to Assignee, and Assignee desires to receive, the overriding royalty interest more particularly described herein.

1. DEFINITIONS

UNLESS OTHERWISE DEFINED HEREIN, ALL CAPITALIZED TERMS SHALL HAVE THE MEANING ASCRIBED TO THEM IN THE DSA.

“**Commencement Date**” means each date when there is a default of Assignor’s obligations under Section 11 of the DSA resulting in a Shortfall Amount, that has not been cured within the cure period provided in Section 11.2.

“**Delivery Point**” means, for oil, the inlet flange of the Lease Automatic Custody Transfer (LACT) meter for the crude export pipeline located on the applicable production facility for the Lease.

“**Lease**” means federal lease No. OCS-G 36962, effective January 1st, 2021, covering all of Block 477, Mississippi Canyon, OCS Official Protraction Diagram NH 16-10, containing approximately 5,760 acres, insofar and only insofar as to depths below 22,000 feet TVDSS down to and including 99,999 feet TVDSS.

“**Shortfall Amount**” means the amount, in US Dollars, by which the Security Call exceeds the aggregate of all Security provided to the Assignee which is valid, enforceable and satisfies the requirements for such security in accordance with the DSA.

“**Suspension Date**” means each date following any Commencement Date when either (i) the aggregate payments actually received by Assignee equals the Shortfall Amount, or (ii) the Termination Date, whichever is earlier.

“**Termination Date**” means the earlier of (i) the termination date of the DSA, (ii) the date under the DSA that Assignor is no longer required to provide security of any type or amount to Assignee, or (iii) the date the ORRI is otherwise terminated by the Parties.

2. CONVEYANCE

2.1 For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby GRANTS, BARGAINS, SELLS, CONVEYS, ASSIGNS, SETS OVER AND DELIVERS unto Assignee, effective as of the Execution Date, an overriding royalty interest in and to each of the Leases equal to ten percent (10%) of Assignor’s right, title and interest in and to all oil, gas and other hydrocarbons produced from, and only from Assignor’s interest in the Leases as of the Execution Date, free and clear of all liens, charges, and encumbrances (“ORRI”).

2.2 Such ORRI shall be payable beginning on each Commencement Date until each Suspension Date (the “**Term**”).

2.3 TO HAVE AND TO HOLD the ORRI unto Assignee, its successors and assigns for the Term(s), subject to the following terms, provisions and conditions:

Assignor shall warrant and defend the title to the ORRI unto Assignee against all claims arising by, through and under said Assignor, but not otherwise, and is accepted without any other warranty of title, express, statutory or implied. Assignee shall have the right of full substitution and subrogation in and to any and all rights and actions of warranty which Assignor may have against any and all preceding owners or vendors of the Leases. The Conveyance is also subject to the following terms and provisions, to wit:

- (1) The ORRI shall be calculated and paid to Assignee at the same time and in the same manner as the lessor’s royalty under the Lease, free and clear of all
 - (1) liens, charges, and encumbrances placed there on by Assignor,
 - (2) all royalties and lessor’s royalties (which shall be borne and paid by Assignor), and
 - (3) all costs, expenses, and liabilities of exploring, drilling, equipping, testing, operating, developing, maintaining or abandoning the Leases, any well or facility thereon.
 - (4) all costs, expenses, and liabilities of transporting the production to the Delivery Point, and

- (5) all costs, expenses, and liabilities of producing, dehydrating, compressing, treating, or marketing the production (whether on the applicable Lease or the applicable production facility or otherwise) to the first purchaser, all of which royalties, costs, expenses and liabilities shall be borne and paid for by Assignor.
- (2) The ORRI shall be calculated and paid on the basis of the proceeds received from the first sale of oil production to a purchaser in an arms-length transaction; provided, however, that if the first sale of production is made pursuant to other than an arms-length transaction, then the ORRI shall be calculated and paid on the basis of the greater of
 - (1) the proceeds received from such sale, or
 - (2) with respect to oil, the most relevant crude oil price or relevant hydrocarbon price as posted on Argus media publication. For the avoidance of doubt, any agreement for the sale of oil or relevant hydrocarbon between Assignor or any affiliate of Assignee shall be considered an arms-length transaction for the purpose of this Conveyance.
- (3) Assignor reserves the right, in its sole judgment, to pool, unitize, or combine the applicable Leases and ORRI with any other interests through one or more voluntary units, or into units established by governmental authorities having jurisdiction. For purposes of determining production allocable to the ORRI conveyed, there shall be allocated to the ORRI included in a pool or unit the portion of the oil, gas and other minerals produced from the pool or unit that is pro-rata to the production from the pool or unit that is allocated to the Lease under the pooling or unit agreement covering the Lease. It is agreed that Assignee shall receive, and will accept, on production from a pool or unit so pooled or unitized, only such proportion of the ORRI hereinabove specified as is allocated to the Lease to which the ORRI applies.
- (4) For the avoidance of doubt, in the event the Lease is included in a federal oil and gas unit approved by the Bureau of Ocean Energy Management and/or Bureau of Safety and Environmental Enforcement (or any successor agencies) to include additional acreage outside of the Lease, or should a subsequent joint participation area or similar third party production sharing arrangement be created that includes all or an allocated portion of the Lease in conjunction with other adjacent acreage, then the ORRI shall apply to such joint participation area or production sharing arrangement insofar as the Lease's proportionate interest in such unit, area or arrangement.
- (5) This Conveyance shall inure to the benefit of and be binding upon the Parties and their respective successors, legal representatives, and assigns. Each reference herein to "Assignor" shall, when appropriate, include the successors, assigns, and legal representatives of Assignor as the owners of said Lease or any interest therein and, likewise, each reference herein to "Assignee" shall, when appropriate, include

the successors, assigns, and legal representatives of Assignee as the owners of the ORRI.

- (6) The ORRI shall apply to every extension, renewal or modification of the Lease, or any portion thereof, taken by Assignor or its successors, assigns, agents or employees, and to any new lease taken by Assignor on the lands, or any portion of the lands, covered by the Lease within one year of the expiration, termination or surrender of any Lease.
- (7) THIS CONVEYANCE SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, EXCLUDING THE PRINCIPLES OF CONFLICT OF LAWS THEREOF THAT WOULD CAUSE THE LAWS OF ANOTHER JURISDICTION TO APPLY.
- (8) This Conveyance is intended by Assignor and Assignee to be a conveyance of a real right and/or of an immovable pursuant to Louisiana law. In addition, this Conveyance constitutes a "production payment" as defined in Title 11 of the United States Code, as amended. This Conveyance does not include any ownership in and to any fixtures, structures, equipment, or other tangible property now or hereafter placed on the Lease, and Assignee shall not be responsible for any plugging and abandonment or related decommissioning obligations or liabilities associated therewith.
- (9) Assignee, at any time after the first Commencement Date and upon notice in writing to Assignor, shall have the right to audit relevant portions of Assignor's accounts and records relating to the assigned ORRI volume, pricing, and deductions under the terms of this Conveyance within the twenty-four (24) month period following the end of any calendar year in which the ORRI was payable in accordance with the terms of this Conveyance. Assignee shall make every reasonable effort to conduct the audit in a manner which will result in a minimum of inconvenience to Assignor. Assignor shall bear no portion of the audit cost incurred unless specifically agreed to prior to the audit. Audits conducted by the Assignee shall not be conducted more than once each calendar year without the prior approval of Assignor.
- (10) During any period in which the ORRI is payable, Assignor shall provide to Assignee monthly marketing and production reports, and such other information reasonably requested by Assignee.
- (11) Any controversy or claim, whether based on contract, tort, statute or other legal or equitable theory (including but not limited to any claim of fraud, misrepresentation or fraudulent inducement or any question of validity or effect of this Conveyance including this clause) arising out of or related to this Conveyance (including any amendments or extensions), or the breach or termination thereof (a "Dispute") shall be settled in accordance with the provisions of Section 16 of the DSA.
- (12) On the Termination Date, the ORRI shall automatically terminate and extinguish without the need of Assignee to formally reassign or release such ORRI; provided

that, upon request by Assignor, Assignee shall provide a reassignment or release of the ORRI in a form reasonably acceptable to Assignor.

- (13) Any notice provided or permitted to be given under this Conveyance shall be in writing and sent by personal delivery or courier. Notice served shall be deemed to have been given when delivered and receipted for. For purposes of notice, the addresses of the Parties shall be as follows:

INEOS ENERGY PETROLEUM OFFSHORE USA INC
ATTN:
Krysten James
USGulf.Commercial@ineosenergy.com
INEOS Energy Petroleum Offshore USA INC
9805 Katy Freeway, Suite 675
Houston, Texas 77024

Shell Offshore Inc.
ATTN:
Tyler Bond
tyler.bond@shell.com
Shell Offshore Inc.
701 Poydras Street
New Orleans, LA 70139

or at such other address and number as either Party shall have previously designated by written notice given to the other Party in the manner hereinabove set forth.

- (14) Notwithstanding anything to the contrary set forth in this Conveyance or in the DSA, although the Commencement Date has not occurred, the Parties agree to make this Conveyance effective as of the Execution Date, but with no ORRI payments accruing or payable until a Commencement Date occurs, which the Parties recognize to be an event that may never occur. If, however, a Commencement Date occurs, the ORRI payments provided for in this Conveyance shall thereafter accrue and be made from the proceeds of production provided for herein.
- (15) Nothing in this Conveyance, express or implied, is intended to confer upon anyone, other than the Parties hereto and their respective successors and assigns, any rights or remedies under or by reason of this Conveyance or to constitute any Person a third-party beneficiary of this Conveyance.
- (16) The Conveyance may be executed in counterparts. Each counterpart shall be deemed to be an original for all purposes, and all counterparts shall together constitute but one and the same instrument. No individual counterpart shall be binding until both Parties have executed a counterpart original.

3. ESCROW ACCOUNT

- 3.1 On the Commencement Date the Parties shall execute an escrow agreement substantially similar to the form attached hereto as Exhibit "A" ("**Escrow Agreement**"), which shall establish an interest-bearing escrow account on behalf of and for the benefit of Assignee with the escrow department of a national financial institution ("**Escrow Account**"). Assignee shall deposit directly into the Escrow Account any and all amounts to be paid pursuant to this Conveyance, which amounts shall serve as Security (and may be used for all such purposes as provided under the DSA), including in calculating the Security Call.
- 3.2 On or after thirty (30) days following the Termination Date, all remaining amounts contained in the Escrow Account (i.e. never triggered as Security or owed as Decommissioning Costs pursuant to the DSA/OA) shall be disbursed to the Assignor.

[Signature Pages Follow]


IN WITNESS WHEREOF, this Conveyance is executed by Assignor and Assignee on the dates set forth in their respective acknowledgments hereto but shall be effective as of the Execution Date.

IMPORTANT NOTICE: THIS CONVEYANCE CONTAINS PROVISIONS REGARDING INDEMNITIES AND WARRANTIES THAT EXPRESS THE CONVEYANCE BETWEEN THE PARTIES CONCERNING CLAIMS ARISING OUT OF THIS CONVEYANCE.

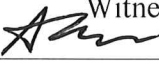
The Parties have executed this Conveyance as evidenced by the following signatures of authorized representatives of the Parties:

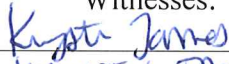
Assignor: Shell Offshore Inc.


Assignee: INEOS Energy Petroleum Offshore USA Inc.

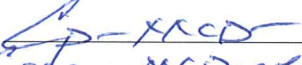
Signature: 
Name: Christopher J. Gonsalves
Title: Attorney-in-Fact

Signature: 
Name: Heather Osecki
Title: Chief Executive Officer

Witnesses:
Signature: 
Name: Anthony Moore

Witnesses:
Signature: 
Name: KRISTEN JAMES

Signature: 
Name: Meghann Myers

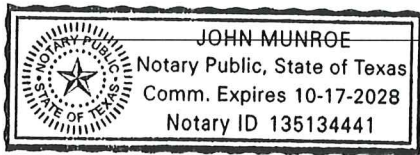
Signature: 
Name: Cooper McDaniel

ACKNOWLEDGMENTS

STATE OF Texas)
County OF Harris)

Be it known, that on this 27 day of the month of April, 2026, before me, the undersigned authority, personally came and appeared Christopher J. Gonsalves, Attorney-in-Fact, for Shell Offshore Inc., to me personally known and known by me to be the person whose genuine signature is affixed to the foregoing document, who signed said document before me and in the presence of the two witnesses whose names are thereto subscribed as such, being competent witnesses, and who acknowledged, in my presence and in the presence of said witnesses, that he signed the above and foregoing document as the free act and deed of said corporation and for the uses and purposes therein set forth and apparent.

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

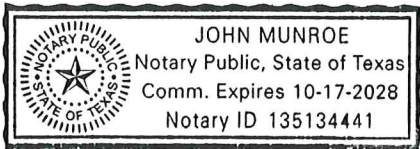


John Munroe
Notary Public in and for the State of Texas
Commission expires: 10/17/2028

STATE OF TEXAS)
COUNTY OF HARRIS)

Be it known, that on this 23rd day of the month of April, 2026, before me, the undersigned authority, personally came and appeared Heather M. Osecki, Chief Executive Officer, for INEOS Energy Petroleum Offshore USA Inc., to me personally known and known by me to be the person whose genuine signature is affixed to the foregoing document, who signed said document before me and in the presence of the two witnesses whose names are thereto subscribed as such, being competent witnesses, and who acknowledged, in my presence and in the presence of said witnesses, that he signed the above and foregoing document as the free act and deed of said corporation and for the uses and purposes therein set forth and apparent.

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



John Munroe
Notary Public in and for the State of Texas
Commission expires: 10/17/2028