HEQ II DAENERYS, LLC
Two Allen Center
1200 Smith, Suite 2400
Houston, Texas 77002
Phone: (713) 650-8008
Fax: (713) 650-8305
vveltman@houstonenergyinc.com

RECEIVED
ADJUDICATION SECTION
OCT 27 2026

October 27, 2026

Via Electronic Mail

Bureau of Ocean Energy Management
Department of the Interior
Adjudication Unit (GM 276A)
1201 Elmwood Park Boulevard
New Orleans, LA 70123-2394

RE: Filing in Non-Required Document
Memorandum of Operating Agreement and Financing Statement
Walker Ridge 150 - OCS-G 35895

Ladies and Gentlemen:

Enclosed please find two originals of the following:

Title of Document: Memorandum of Operating Agreement and Financing Statement

Identities of Parties to Document: Talos Resources LLC, Red Willow Offshore, LLC, HEQ II Daenerys, LLC and CSL Exploration, LP

Lease Affected: OCS-G 35895

Category to be Filed: 1 = **Contract,** Agreements, and Conveyances

Service Fees: Pay.gov receipt for $38.00

Once this document has been filed, please return a processed copy to my attention at vveltman@houstonenergyinc.com.

Please contact me at 713.400.7781 if you have any questions.

Best regards,

HEQ II DAENERYS, LLC

Vanessa V. Veltman, MBA

Terrebonne Parish Recording Page

Theresa A. Robichaux
Clerk Of Court
P.O. Box 1569
Houma, LA 70361-1569
(985) 868-5660

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ADJUDICATION SECTION
OCT 27 2026

Received From :
Attn: LAUREN JONES
TALOS ENERGY INC
333 CLAY STREET
SUITE 3300
HOUSTON, TX 77002-4104

First VENDOR
TALOS RESOURCES L L C

First VENDEE
RED WILLOW OFFSHORE L L C

Index Type : CONVEYANCES

File # : 1702032

Type of Document : AGREEMENT

Book : 2756 **Page :** 386

Recording Pages : 12

Recorded Information

I hereby certify that the attached document was filed for registry and recorded in the Clerk of Court's office for Terrebonne Parish, Louisiana.

Theresa A. Robichaux
Clerk of Court

On (Recorded Date) : 01/10/2025

At (Recorded Time) : 12:10:33PM

CLERK OF COURT
THERESA A. ROBICHAUX
Parish of Terrebonne
I certify that this is a true copy of the attached document that was filed for registry and
Recorded 01/10/2025 at 12:10:33
Recorded in Book 2756 Page 386
File Number 1702032

Monica LaBruyere
Deputy Clerk

Doc ID - 016787880012

Additional Index Recordings

Index Type	Book	Page	File #
MTG	3548	686	1702032

Return To : Attn: LAUREN JONES
TALOS ENERGY INC
333 CLAY STREET
SUITE 3300
HOUSTON, TX 77002-4104

Do not Detach this Recording Page from Original Document

RECEIVED
ADJUDICATION SECTION
OCT 27 2026

MEMORANDUM OF OPERATING AGREEMENT AND FINANCING STATEMENT

(LOUISIANA)

1.0 This Memorandum of Operating Agreement, Mortgage, Pledge, Security Agreement, and Financing Statement ("Memorandum") is effective as of May 20, 2023, and is entered into by the undersigned Parties (each of which is called "Party" and all of which are called "Parties").

2.0 The Parties have entered into that certain Operating Agreement identified in Attachment I hereto ("Operating Agreement") to explore, develop, and operate the lands and lease(s) described in Attachment I hereto (hereinafter called "Lands and Lease(s)") and to produce oil and gas (including condensate and liquefiable substances entrained in the gas stream) therefrom and have designated the Party identified in Attachment I as Operator to conduct such operations for itself and on behalf of the rest of Parties as Non-Operators, as set forth in Attachment 1. Reference is made hereby to the Operating Agreement for all purposes, and its terms and provisions are incorporated herein by this reference to the same extent as if the Operating Agreement was reproduced herein. Capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Operating Agreement.

3.0 The Operating Agreement provides for certain liens, mortgages, pledges and security interests. The Operating Agreement contains an accounting procedure, along with other provisions, which provide for the payment of interest on past-due amounts and supplements the lien, mortgage, and security interest provisions, and also includes non-consent clauses which provide that Parties who elect not to participate in certain operations shall be deemed to have relinquished their interest in production until the carrying consenting Parties are able to recover their costs of such operation plus a specified amount and also includes preferential right and first right of refusal as provided in Article 24.2 of the Operating Agreement.. In some cases, a Non-Participating Party will be deemed to have relinquished all rights in some or all of the Lands and Leases, without the opportunity to recover. Should any person or entity desire additional information regarding the Operating Agreement or wish to inspect a copy of the Operating Agreement, that person or entity should contact the Operator.

4.0 The purpose of this Memorandum is to more fully describe the liens, mortgages, pledges and security interests provided for in the Operating Agreement, and to place third parties on notice thereof, and to restate, grant and convey the same to the extent required to perfect the same fully in accordance with applicable state law.

5.0 To secure payment and performance by each Party of all its current and future obligations, and payment of all amounts due under the Operating Agreement, including, but not limited to, payment by each Party of its share of costs, plus attorney's fees, court costs, related collection costs and accrued interest on unpaid amounts due from time to time under the Operating Agreement, and the timely and proper payment by Operator to independent contractors and other persons entitled thereto performing work for the Joint Account of all sums advanced from time to time by the Non-Operators pursuant to the terms of the Operating Agreement, the Parties have agreed and do hereby agree as follows:

5.1 The Operator shall conduct and direct and have full control of all operations on the Lands and Leases, as permitted and required by, and within the limits of the Operating Agreement.

5.2 The liability of the Parties under the Operating Agreement and this Memorandum shall be several, not joint or collective. Each Party shall be responsible only for its obligations and shall be liable only for its proportionate share of costs under the Operating Agreement and this Memorandum.

5.3 Each Party grants to each of the other Party(ies) a first mortgage and lien upon all its right, title and interest in the Lands and Lease(s), and a pledge and security interest in its share of oil and gas when extracted and its interest in all equipment and property, including fixtures, whether movable or immovable, corporeal or incorporeal located upon and/or used or useful in the production of oil and gas from such Lands and Lease(s) (all such property/ being more fully described in Paragraph 6.0). To the extent that a Party has a security interest under the Uniform Commercial Code, such Party shall be entitled to exercise the rights and remedies of a secured party under the Operating Agreement and this Memorandum under the Code. The bringing of a suit and the obtaining of judgment by any Party for the secured indebtedness shall not be deemed an election of remedies or otherwise affect the rights or security interest for the payment thereof. To the extent applicable state law requires liquidation of the same for the mortgage to be enforceable, the maximum amount of the obligation to be secured from time to time by each such lien and mortgage shall be twenty five million dollars ($25,000,000); otherwise the maximum amount of the obligation to be so secured shall be unlimited. Notwithstanding the foregoing maximum amount of twenty five million dollars ($25,000,000), the liability of each Party as under the Operating Agreement and this Memorandum and the mortgage, lien, and security interest granted hereby shall be limited to (and Operator shall not be entitled to enforce the same against each Party for an amount exceeding) the actual obligations and indebtedness (including all interest charges, costs, attorney's fees, and other charges provided for in the Operating Agreement or in this Memorandum) outstanding and unpaid and that are attributable to or charged against the interest of such Party pursuant to the Offshore Operating Agreement.

5.4 If any Party fails to pay its share of costs under the Operating Agreement when due, Operator may require other Parties to pay their proportionate part of the unpaid share, whereupon each such Party shall be secured by the mortgage and lien, pledge and security interest stated herein and such paying party shall be subrogated to the security rights of Operator against the non-paying Party arising under the Operating Agreement and this Memorandum.

6.0 Each Party, as debtor and mortgagor, grants to each of the other Parties, as secured party and mortgagee, a first mortgage and lien, pledge and security interest in and to the following collateral, to the extent such collateral is susceptible of mortgage, pledge and security interest, whether now owned or existing or hereafter acquired:

6.1 Collateral Subject to Liens, Pledges, and Security Interest

(A) All personal property located upon and/or used or useful in the production of oil and gas from such Lands and Lease(s), including things constituting

"Facilities," "Pipelines," "Flowlines," "Wells" and "Platforms" that are owned by the Parties under the Operating Agreement.

(B) All equipment and appurtenances, including fixtures, whether movable or immovable, corporeal or incorporeal located upon and/or used or useful in the production of oil and gas from the Lands and Lease(s), including things constituting "Facilities," "Pipelines," "Flowlines," "Wells" and "Platforms" that are owned by the Parties under the Operating Agreement.

(C) Oil and gas (including condensate and liquefiable substances entrained in the gas stream) in and under the Lands and Lease(s) which may be extracted therefrom.

(D) All accounts resulting from the sale of the items described in Subparagraph (C) at the wellhead of every well located and/or producing oil and gas from the Lands and Lease(s) or on lands pooled or unitized therewith.

(E) All items used, useful, or purchased for the production, treatment, storage, transportation, manufacture, or sale of the items described in Subparagraph (C).

(F) All rights under any gas balancing agreement, general intangibles, contract rights (including farmout rights, option farmout rights, acreage and or cash contributions, conversion rights, contracts for drilling and contract for the fabrication of items listed in Subparagraphs (A) and (B) above) to the extent such rights and intangibles relate to the Lands and Lease(s).

(G) All interests in any limited partnership, association, joint venture, or other entity or enterprise that holds, owns, or controls any interest in the Lands and Lease(s) or in any other collateral encumbered by this Memorandum.

(H) All the proceeds and products of the items described in the foregoing Subparagraphs, and all substitutions therefore, replacements thereof, or accessions thereto.

6.2 Collateral Subject to Mortgages and Liens

(A) The Lands and Lease(s), including all oil and gas thereunder which may be produced therefrom.

(B) All equipment and appurtenances, including fixtures, whether movable or immovable, corporeal or incorporeal located upon and/or used or useful in the production of oil and gas from such Lands and Lease(s), including things constituting "Facilities," "Pipelines," "Flowlines," "Wells" and "Platforms" that are owned by the Parties under the Operating Agreement.

(C) All easements, rights of way and other real property interests located upon and/or used or useful in the production of oil and gas from such Lands and Lease(s).

7.0 The accounts described in Paragraphs 6.1(D) will be financed at the wellhead of the well or wells located on and/or producing oil and gas from the Lands and Lease(s), and this Memorandum shall be filed for record in the Real Estate Records of the county(ies) and/or parish(es) adjacent thereto, with office of the DOI oversight responsibility for the Lands and Lease(s) and in the appropriate Uniform Commercial Code and/or Louisiana Commercial Laws-Secured Transactions, records as the case may be. All Parties who are signatories to the Operating Agreement as of the date this Memorandum is executed are identified on Attachment I.

8.0 On default of any covenant or condition of the Operating Agreement, and after notice and opportunity to cure has been given and the defaulting Party has failed to cure such default pursuant to the Operating Agreement, in addition to any other remedy afforded by law, each Party and any successor to such Party by assignment, operation of law, or otherwise, shall have, and is hereby given and vested with, the power and authority to take possession of and sell any interest which the defaulting Party has in personal property collateral described in Paragraphs 6.1 and 6.2 and to foreclose the lien, mortgage, pledge, and security interest in the manner provided by law. For purposes of executory process, each Party acknowledges the obligations and indebtedness of such Party to the other Parties, as set forth in paragraph 5.3 hereof, confesses judgment in favor of the other Parties for the full amount of the obligations and indebtedness of such Party to the other Parties, as set forth in paragraph 5.3 hereof, and agrees to enforcement by executory process. Each Party waives (a) the benefit of appraisal provided in Articles 2332, 2336, 2723 and 2724 of the Louisiana Code of Civil Procedure and (b) the demand and three (3) days delay provided by Article 2721 of the Louisiana Code of Civil Procedure.

9.0 Upon expiration of the Operating Agreement and the satisfaction of all debts thereunder, within thirty (30) days after receiving a written request from any Party, the Operator shall file of record with respect to the Operating Agreement and this Memorandum a release and termination on behalf of all Parties. Absent such request, Operator shall not be required to file such release or termination if the security rights hereunder have lapsed or will lapse, by operation of law, as a consequence of a continuation statement and/or reinscription notice not being filed. If such release and termination is filed, all benefits and obligations under this Memorandum shall terminate as to all Parties with respect to the expiring Operating Agreement. Operator or any other Party shall have the right to file a continuation statement and/or reinscription notice on behalf of all Parties.

10.0 It is understood and agreed by the Parties hereto that if any part, term, or provision of this Memorandum is by the courts held to be illegal or in conflict with any law of the state where made, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Memorandum did not contain the particular part, term or provision held to be invalid.

11.0 This Memorandum shall be binding upon and shall inure to the benefit of the Parties hereto and to their respective legal representatives, successors, and permitted assigns. The failure of one or more persons owning an interest in the Lands and Lease(s) to execute this Memorandum shall not in any manner affect the validity of the Memorandum as to those persons who have executed this Memorandum.

12.0 A person or entity having a working interest in the Lands and Lease(s) may ratify this Memorandum by execution and delivery of an instrument of ratification, adopting and

entering into this Memorandum, and such ratification shall have the same effect as if the ratifying person or entity had executed this Memorandum or a counterpart thereof. By execution or ratification of this Memorandum, such Party hereby consents to its ratification and adoption by any person or entity who may have or may acquire any interest in the Leases, subject to Article 24 of the Operating Agreement.

13.0 This Memorandum may be executed or ratified in one or more counterparts and all of the executed or ratified counterparts shall together constitute one instrument. For purposes of recording, only one copy of this Memorandum with individual signature pages attached thereto needs to be filed of record as provided in Paragraph 7.0. Each Party authorizes the filing by any other Party of an original, a certified copy thereof, and/or any photocopy of this Memorandum as a financing statement under the Uniform Commercial Code.

14.0 The provisions of this Memorandum shall govern in the event of any conflict with the Operating Agreement.

15.0 To the extent this transaction is governed by Louisiana law, this instrument, when filed for registry, is intended to function as both a filed agreement and a declaration and is intended to create a conventional mortgage as provided under Louisiana Civil Code, Articles 3287-3298.

EXECUTED by each Party before the respective undersigned competent witness on the date set forth.

OPERATOR:

Talos Resources LLC

WITNESSES:

Printed Name: Thomas A. Burnett

Printed Name: Lauren Jones

By: _____

Name: Carl E. Comstock
Title: Director Land

Date: 1/6/2025

NON-OPERATOR:

Red Willow Offshore, LLC

WITNESSES:

Printed Name: Dan Greaser

Printed Name: Timothy J. Piwowar

By: _____

Name: Rex H. Richardson
Title: Director of Land

Date: 12/11/2024

NON-OPERATOR:

WITNESSES:

Vanessa V. Veltman
Printed Name: Vanessa V. Veltman

Martha Ann Moore
Printed Name: Martha Ann Moore

HEQ II Daenerys, LLC

By: _____

Name: Heath Suire
Title: Vice President

Date: 12-18-24

NON-OPERATOR:

WITNESSES:

_____
Printed Name:

_____
Printed Name:

CSL Exploration, LP
By: Cathexis Subsidiaries GP, LLC, General Partner of Cathexis Holdings, LP

By: _____

Name: Marshall T. White
Title: Vice President

Date: _____

NON-OPERATOR:

WITNESSES:

HEQ II Daenerys, LLC

_____
Printed Name:

By:_____

_____
Printed Name:

Name: Heath Suire
Title: Vice President

Date: _____

NON-OPERATOR:

WITNESSES:

CSL Exploration, LP
By: Cathexis Subsidiaries GP, LLC, General Partner of Cathexis Holdings, LP

April Rivas
Printed Name: April Rivas

By: Marshall T. White

John D. McRae
Printed Name:
John D. McRae

Name: Marshall T. White
Title: Vice President

Date: 12 Dec 2024

ACKNOWLEDGMENTS

STATE OF TEXAS §
§
COUNTY OF HARRIS §

On this 6th day of January, 2025, before me, appeared Carl E. Comstock to me personally known, who, being by me duly sworn, did say that he is the Director Land of **Talos Resources LLC**, and that the foregoing instrument was signed on behalf of that corporation by authority of its Board of Directors and he acknowledged the instrument to be the free act and deed of that corporation.

CORINA SINCLAIR
Notary ID #134601000
My Commission Expires
October 12, 2027

Notary Public for the State of Texas

STATE OF TEXAS §
§
COUNTY OF HARRIS §

On this 11th day of December, 2024, before me, appeared Rex H. Richardson to me personally known, who, being by me duly sworn, did say that he is the Director of Land of **Red Willow Offshore, LLC**, and that the foregoing instrument was signed on behalf of that corporation by authority of its Board of Directors and he acknowledged the instrument to be the free act and deed of that corporation.

ASHLEY MOSBY
My Notary ID # 124153530
Expires August 25, 2025

Notary Public for the State of Texas

STATE OF TEXAS §
§
COUNTY OF HARRIS §

On this _____ day of _____, _____, before me, appeared _____ to me personally known, who, being by me duly sworn, did say that he is the _____ of **HEQ II Daenerys, LLC**, and that the foregoing instrument was signed on behalf of that corporation by authority of its Board of Directors and he acknowledged the instrument to be the free act and deed of that corporation.

Notary Public for the State of Texas

ACKNOWLEDGMENTS

STATE OF TEXAS §
§
COUNTY OF HARRIS §

On this _____ day of _____, _____, before me, appeared _____ to me personally known, who, being by me duly sworn, did say that he is the _____ of **Talos Resources LLC**, and that the foregoing instrument was signed on behalf of that corporation by authority of its Board of Directors and he acknowledged the instrument to be the free act and deed of that corporation.

_____
Notary Public for the State of Texas

STATE OF TEXAS §
§
COUNTY OF HARRIS §

On this _____ day of _____, _____, before me, appeared _____ to me personally known, who, being by me duly sworn, did say that he is the _____ of **Red Willow Offshore, LLC**, and that the foregoing instrument was signed on behalf of that corporation by authority of its Board of Directors and he acknowledged the instrument to be the free act and deed of that corporation.

_____
Notary Public for the State of Texas

STATE OF TEXAS §
§
COUNTY OF HARRIS §

On this 18th day of December, 2024, before me, appeared Heath Seine to me personally known, who, being by me duly sworn, did say that he is the Vice President of **HEQ II Daenerys, LLC**, and that the foregoing instrument was signed on behalf of that ~~corporation~~ company by authority of its ~~Board of Directors~~ members and he acknowledged the instrument to be the free act and deed of that ~~corporation~~ company.

SUE A ALFORD
Notary ID #124226033
My Commission Expires
May 24, 2026

_____
Notary Public for the State of Texas

STATE OF TEXAS §
§
COUNTY OF HARRIS §

On this 12th day of December, 2024 before me, appeared Marshall T. White to me personally known, who, being by me duly sworn, did say that he is the Vice President of **CSL Exploration, LP**, and that the foregoing instrument was signed on behalf of that corporation by authority of its Board of Directors and he acknowledged the instrument to be the free act and deed of that corporation.

NOTARY PUBLIC STATE OF TEXAS
LORI B. VANCE
My Notary ID # 8576463
Expires December 28, 2024

Lori B. Vance
Notary Public for the State of Texas

ATTACHMENT 1

Attached to and made a part of that certain Offshore Operating Agreement dated effective May 20, 2023 by and between Talos Resources LLC, as Operator, and Red Willow Offshore LLC, HEQ II Daenerys, LLC as successor to HE&D Offshore, L.P., CSL Exploration, LP, as Non-Operators.

I. LEASES AND WORKING INTEREST:

DESCRIPTION OF LEASE(S):

Prospect	Lease No.	Area	Block	Lease Eff Date	Royalty	Depths
Daenerys	OCS-G35894	Walker Ridge	106	8/1/2016	18.75%	ALL
Daenerys	OCS-G35724	Walker Ridge	107	8/1/2015	18.75%	ALL
Daenerys	OCS-G35895	Walker Ridge	150	8/1/2016	18.75%	ALL
Daenerys	OCS-G36926	Walker Ridge	151	8/1/2020	18.75%	ALL

WORKING INTEREST OF THE PARTIES:

Talos Resources LLC	**30%**
Red Willow Offshore, LLC	**35%**
HEQ II Daenerys, LLC	**10%**
CSL Exploration, LP	**25%**

II. OPERATOR: Talos Resources LLC

III. REPRESENTATIVES AND ADDRESSES:

Talos Resources LLC
333 Clay St., Suite 3300
Houston, Texas 77002
Attention: Carl Comstock
Telephone: (713) 380-4947
Email: Carl.Comstock@talosenergy.com

HEQ II Daenerys, LLC
1200 Smith St., Suite 2400
Houston, Texas 77002
Attention: Heath Suire
Telephone: 713-650-8008
Email: hsuire@houstonenergyinc.com

Red Willow Offshore, LLC
1415 Louisiana St., Suite 4000
Houston, Texas 77002
Attention: Dan Greaser
Telephone: (281) 822-7542
Email: dgreaser@rwpc.us

CSL Exploration, LP
1000 Louisiana St., Suite 7000
Houston, Texas 77002
Attention: Marshall White
Telephone: (713) 400-6670
Email: mwhite@cathexis.com