RECEIVED
ADJUDICATION SECTION
NOV 06 2026

William K. Grubb
wgrubb@mcginnislaw.com
(713) 615-8515 o
(713) 328-1815 f

November 6, 2026

United States Department of the Interior
Attn: Laura Robbins, Acting Regional Director
Bureau of Ocean Energy Management
Attention: Adjudication Section
Gulf of Mexico OCS Region
1201 Elmwood Park Boulevard
New Orleans, LA 70123-2394

VIA E-MAIL at BOEMAdjudication@BOEM.gov

Re: **Documents for filing in the Non-Required Files**

Dear Ms. Robbins:

Enclosed please find the following instrument submitted to you for filing purposes only in the Non-Required Files maintained by your office for each of the federal offshore leases specified below:

Type:	UCC-3 Amendment – Renewal
Debtor:	ENI Petroleum US LLC
Secured Party:	Murphy Exploration & Production Company-USA
Leases:	**OCS-G 16614** and **OCS-G 16623**
Category:	**Category #3 – UCC Filings and Financial Statements**.

In order that third persons will be put on notice of the enclosed amendment continuing the previously filed financing statement, please file the document, together with this letter, in the Non-Required Files maintained for leases identified above, and under the category identified above.

I have attached a copy of the Pay.gov filing fee receipt for $76.00 (Tracking ID 287GUOC8). Please return a date-stamped copy of the filing to jdavis@mcginnislaw.com to complete our files.

If you have any questions, or if there is a deficiency of payment, please feel free to contact me at (713) 615-8515 and we will overnight the difference or otherwise satisfy your request.

Thank you in advance for your assistance in this matter.

Sincerely,

William Grub

Attachments

[redacted]

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NOV 06 2026

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT SUBMITTER (optional)
Jessica Davis (713) 615-8560

B. E-MAIL CONTACT AT SUBMITTER (optional)
jdavis@mcginnislaw.com

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

McGinnis Lochridge LLP
609 Main Street, Suite 2800
Houston, TX 77002

SEE BELOW FOR SECURED PARTY CONTACT INFORMATION

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER
Renewing 10/27/2021 filing (Attached hereto as Exhibit A)

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13.

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Part(y)(ies) authorizing this Termination Statement

3. ☐ ASSIGNMENT: Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9
For partial assignment, complete items 7 and 9; check ASSIGN Collateral box in Item 8 and describe the affected collateral in item 8

4. ☑ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. PARTY INFORMATION CHANGE:

Check one of these two boxes:
This Change affects ☐ Debtor or ☐ Secured Party of record

AND Check one of these three boxes to:
☐ CHANGE name and/or address: Complete item 6a or 6b; and item 7a or 7b and item 7c
☐ ADD name: Complete item 7a or 7b, and item 7c
☐ DELETE name: Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME

OR

6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME

OR

7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

8. COLLATERAL CHANGE: Check only one box:
☐ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN* collateral

Indicate collateral:

*Check ASSIGN COLLATERAL only if the assignee's power to amend the record is limited to certain collateral and describe the collateral in Section 8

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)
If this is an Amendment authorized by a DEBTOR, check here ☐ and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME
Murphy Exploration & Production Company - USA

OR

9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA:

EXHIBIT A
(November 2026 UCC3 Continuation)

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NOV 06 2026

William K. Grubb
wgrubb@mcginnislaw.com
(713) 615-8515 o
(713) 328-1815 f

October 27, 2021

Bureau of Ocean Energy Management
United States Department of the Interior
Attention: Adjudication Section
Gulf of Mexico OCS Region
1201 Elmwood Park Boulevard
New Orleans, LA 70123-2394
Attention: Yolanda Winslow, Chief

Via Email at BOEMAdjudication@BOEM.gov

Re: **Documents for filing in the Non-Required Files**

Dear Ms. Winslow:

Enclosed please find the following instrument submitted to you for filing purposes only in the Non-Required Files maintained by your office for each of the federal offshore leases specified below:

1. **Type**: UCC-3 Amendment – Renewal
   Debtor: Eni Petroleum US LLC
   Secured Party: Murphy Exploration & Production Company—USA
   Leases: **OCS-G 16614** and **OCS-G 16623**
   Category: **Category #3 – UCC Filings and Financial Statements**.

In order that third persons will be put on notice as to the execution and efficacy of the enclosed financing statement, please file the document, together with this letter, in the Non-Required Files maintained for leases identified above, and under the category identified above.

I have attached a copy of the Pay.gov filing fee receipt for $58.00 (Tracking ID 26TPBRUA). Please return a date-stamped copy of the filing to cosborn@mcginnislaw.com to complete our files.

If you have any questions, or if there is a deficiency of payment, please feel free to contact me at (713) 615-8515 and we will overnight the difference or otherwise satisfy your request.

Thank you in advance for your assistance in this matter.

Sincerely,

William K. Grubb

Attachments

Osborn, Carolyn

From: notification@pay.gov
Sent: Wednesday, October 27, 2021 2:50 PM
To: Osborn, Carolyn
Subject: Pay.gov Payment Confirmation: BOEM Non-Required - Required Document Filing - NR/RD

CAUTION: EXTERNAL EMAIL – Only click links or open attachments from trusted senders.

An official email of the United States government

Pay.gov

Your payment has been submitted to Pay.gov and the details are below. If you have any questions regarding this payment, please contact Adjudication Unit at (504) 736-2436 or boemgomrpaygov@boem.gov.

Application Name: BOEM Non-Required - Required Document Filing - NR/RD
Pay.gov Tracking ID: 26TPBRUA
Agency Tracking ID: 76161675675
Transaction Type: Sale
Transaction Date: 10/27/2021 03:50:28 PM EDT
Account Holder Name: McGinnis Lochridge LLP
Transaction Amount: $58.00
Card Type: MasterCard
Card Number: **********2514

Region: Gulf of Mexico
Name and Phone: Carolyn Osborn 512-495-6165
Submitting Company: McGinnis Lochridge LLP
Document Type: UCC Filings and Financial Statements
Lease Numbers 1-25: 16614, 16623, ,
Lease Numbers 26-50: ,
Email Address: cosborn@mcginnislaw.com

THIS IS AN AUTOMATED MESSAGE. PLEASE DO NOT REPLY.

Pay.gov is a program of the U.S. Department of the Treasury, Bureau of the Fiscal Service

[redacted]

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OCT 27 2021

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NOV 06 2026

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)
Carolyn Osborn (512) 495-6165

B. E-MAIL CONTACT AT FILER (optional)
cosborn@mcginnislaw.com

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

McGinnis Lochridge LLP
1111 West 6th Street, Suite 400
Austin, TX 78703

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER
Renewing 11/10/2016 filing (Attached hereto as Exhibit A)

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS
Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement

3. ☐ ASSIGNMENT (full or partial): Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9
For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8

4. ☑ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. ☐ PARTY INFORMATION CHANGE:

Check one of these two boxes:
This Change affects ☐ Debtor or ☐ Secured Party of record

AND Check one of these three boxes to:
☐ CHANGE name and/or address: Complete item 6a or 6b; and item 7a or 7b and item 7c
☐ ADD name: Complete item 7a or 7b, and item 7c
☐ DELETE name: Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME

OR

6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME

OR

7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

8. ☐ COLLATERAL CHANGE: Also check one of these four boxes: ☐ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN collateral

Indicate collateral:

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)
If this is an Amendment authorized by a DEBTOR, check here ☐ and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME
Murphy Exploration & Production Company - USA

OR

9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA:

Exhibit A
(October 2021 UCC3 Continuation)

COPY

McGINNIS LOCHRIDGE

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OCT 27 2021

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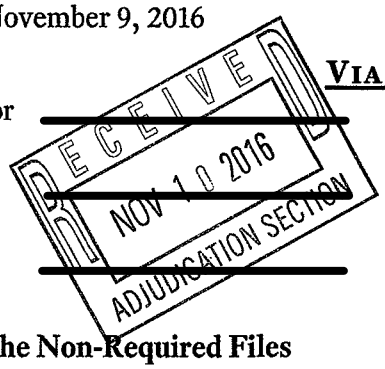
ADJUDICATION SECTION
NOV 06 2026

Austin W. Brister
abrister@mcginnislaw.com
(713) 615-8523 o
(713) 328-1823 f

November 9, 2016

VIA FEDERAL EXPRESS

Bureau of Ocean Energy Management
United States Department of the Interior
Attention: Adjudication Section
Gulf of Mexico OCS Region
1201 Elmwood Park Boulevard
New Orleans, LA 70123-2394
Attention: Bernadette Thomas, Chief



Re: Documents for filing in the Non-Required Files

Dear Ms. Thomas:

Enclosed please find the following instrument submitted to you for filing purposes only in the Non-Required Files maintained by your office for each of the federal offshore leases specified below:

1. **Type:** UCC-1 Financing Statement
   Debtor: Eni Petroleum US LLC
   Secured Party: Murphy Exploration & Production Company—USA
   Leases: **OCS-G 16614** and **OCS-G 16623**
   Category: **Category #3 – UCC Filings and Financial Statements.**

In order that third persons will be put on notice as to the execution and efficacy of the enclosed financing statement, please file the document, together with this letter, in the Non-Required Files maintained for leases identified above, and under the category identified above.

I have attached a copy of the Pay.gov filing fee receipt for $58.00 (Tracking ID 25UTLU7E). I have also included an additional copy of these documents to be file-stamped and returned to me to complete our files.

If you have any questions, or if there is a deficiency of payment, please feel free to contact me at (713) 615-8523 and we will overnight the difference or otherwise satisfy your request.

Thank you in advance for your assistance in this matter.

Sincerely,

Austin W. Brister

Enclosures

Pay.gov

Receipt

Your payment is complete

Pay.gov Tracking ID: 25UTLU7E
Agency Tracking ID: 75125985411
Form Name: BOEM Document Filing Application
Application Name: BOEM Non-Required - Required Document Filing - NR/RD

Payment Information

Payment Type: Debit or credit card
Payment Amount: $58.00
Transaction Date: 11/09/2016 12:37:01 PM EST
Payment Date: 11/09/2016
Region: Gulf of Mexico
Name and Phone: Austin Brister 713-615-8523
Submitting Company: McGinnis Lochridge
Document Type: UCC Filings and Financial Statements
Lease Numbers 1-25: 16614, 16623, ,
Lease Numbers 26-50: ,
Email Address: abrister@mcginnislaw.com

Account Information

Cardholder Name: Meredith Brister
Card Type: Visa
Card Number: **********0637

Email Confirmation Receipt

Confirmation Receipts have been emailed to:
abrister@mcginnislaw.com
ahayes@mcginnislaw.com

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OCT 27 2021

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ADJUDICATION SECTION
NOV 06 2026

[redacted]

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)
Carolyn Osborn

B. E-MAIL CONTACT AT FILER (optional)
cosborn@mcginnislaw.com

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

Carolyn Osborn
McGinnis Lochridge
600 Congress Ave., Suite 2100
Austin, Texas 78701

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

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

1a. ORGANIZATION'S NAME
Eni Petroleum US LLC

OR

1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
1200 Smith Street, Suite 1200	Houston	TX	77002	USA

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

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

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

3a. ORGANIZATION'S NAME
Murphy Exploration & Production Company - USA

OR

3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
9805 Katy Freeway, Suite G200	Houston	TX	77024	USA

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

All of each Debtor's right, title and interest now owned or hereafter acquired in all of the property described in Exhibit 1 hereto, as modified by Exhibit 2 hereto. Debtor W&T Energy VI, LLC is the successor by assignment of the interest of Callon Petroleum Operating Company referred to in Exhibit 1. Debtor Eni Petroleum US LLC was previously known as ENI DEEPWATER LLC.

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

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

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

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

8. OPTIONAL FILER REFERENCE DATA:

Exhibit 1

DECLARATION OF OPERATING AGREEMENT, MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

(MEDUSA PROSPECT)

To be filed in the conveyance records and in the mortgage records and as a non-standard financing statement in accordance with Paragraph 6.0 herein.

1.0 This Declaration of Operating Agreement, Mortgage, Security Agreement and Financing Statement (Medusa Prospect) (this "Declaration") is effective August 29, 2003 and is executed by the undersigned, duly authorized representative of MURPHY EXPLORATION & PRODUCTION COMPANY – USA (successor in interest to Murphy Exploration & Production Company) (the "Operator"), a Delaware corporation, whose taxpayer identification number is 47-0910029, and whose organizational number is 3617922, and whose address is 131 South Robertson Street, New Orleans, Louisiana 70112, and the undersigned, duly authorized representatives of CALLON PETROLEUM OPERATING COMPANY ("Callon"), a Delaware corporation, whose taxpayer identification number is _____, and whose organizational number is 2018366and whose address is 200 North Canal Street, Natchez, Mississippi, 39120, and ENI DEEPWATER LLC (previously British Borneo Deepwater LLC, successor in interest to British-Borneo Petroleum, Inc.,) ("Eni"), a Delaware limited liability company, whose taxpayer identification number is 76-0507429, and whose organizational number is 3023248, and whose address is 1201 Louisiana, Suite 3500, Houston, Texas 77002, (Callon and Eni being referred to hereinafter collectively as the "Non-Operating Parties" and individually as a "Non-Operating Party"). The Operator and the Non-Operating Parties are referred to herein collectively as the "Parties" and individually as a "Party".

2.0 The Operator and the Non-Operating Parties are parties to that certain Joint Operating Agreement dated effective, February 1, 1999, as amended and supplemented by that certain First Amendment and Supplement to Joint Operating Agreement (Prospect Medusa) dated effective as of August 29, 2003, (as so amended and supplemented, and as the same may hereafter be amended, supplemented, modified and/or restated from time to time, the "Operating Agreement"), which Operating Agreement provides for the exploration, development and production of crude oil, natural gas and associated substances from the OCS blocks, or portions thereof, described in the OCS federal oil and gas leases (or portions thereof) identified on Attachment "1" attached hereto ("Leases") (the Leases insofar as they cover the lands described therein as to all depths, herein the "Prospect Area"). All other capitalized terms appearing in this Declaration, unless otherwise defined herein, shall be given the meaning as defined in the Operating Agreement.

3.0 Among other provisions, the Operating Agreement provides in Article 6 for the creation of certain liens, mortgages, pledges and security interests to secure the Parties' obligations thereunder, sets forth the terms and conditions upon which the exploration, development

and production of crude oil, natural gas and associated substances from the Leases shall be undertaken by the Parties, their successors and assigns, contains an accounting procedure and other provisions providing for the payment of interest on past-due amounts and supplementing the lien, mortgage, pledge 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.

4.0 The Operator hereby certifies that a true and correct copy of the Operating Agreement is on file and is available for inspection by third parties at the offices of the Operator at the address set forth in this Declaration. The purpose of this Declaration is to place third parties on notice of the Operating Agreement by the filing of record of this declaration in lieu of the Operating Agreement as permitted by LA R.S. 9:2731 and 2732, and to more fully describe and implement the liens, mortgages, pledges and security interests provided for in the Operating Agreement by placing third parties on notice thereof and restating, granting and conveying the same to the extent required to perfect the same fully in accordance with applicable law.

5.0 In addition to any other security rights and remedies provided for by law with respect to services rendered or materials and equipment furnished under the Operating Agreement, for and in consideration of the covenants and mutual undertakings of the Operator and the Non-Operating Parties set forth in the Operating Agreement, the Operator and the Non-Operating Parties hereby agree as follows:

5.1 ***Mortgage by Non-Operating Parties.*** Each Non-Operating Party, as mortgagor and debtor, hereby grants to, and collaterally assigns in favor of, the Operator and the other Non-Operating Party, each as mortgagee and secured party, a mortgage, hypothecation, and pledge of and over all of its rights, titles, and interests, now owned or hereafter acquired, in and to (a) the Leases; (b) the oil and gas in, on, under, and that may be produced from the lands within the Leases and the Prospect Area (the "Hydrocarbon production"); (c) the Production Systems and all Facilities (as these terms are defined and described on Attachment 1 hereto), including without limitation the Medusa Spar (as defined and described on Attachment 1 hereto); and (d) all other immovable property susceptible of mortgage situated within the Prospect Area, including without limitation all facilities, pipelines, flowlines, wells, platforms and other improvements, buildings and other constructions now or hereafter located upon the Prospect Area, and all easements, rights-of-way and other similar interests and rights located upon the Prospect Area (inclusive of but without limitation to those, if any, described on Attachment 1 hereto), together with all tenements, hereditaments, appurtenances and other property, of any nature or kind, in anywise appertaining, belonging, affixed or incidental to any of the foregoing property, and all rents, issues, profits and products of any of the foregoing. This mortgage is given to secure the complete and timely performance of and payment by each granting Non-Operating Party of all obligations and indebtedness of every kind and nature, whether now owed by such Non-Operating Party or hereafter arising, pursuant to the Operating Agreement. To the extent susceptible under applicable law, this mortgage and the security interests granted in favor of the Operator and the other Non-Operating Parties herein shall

secure the payment of all costs and other expenses properly charged to or being the obligation of such Party, together with (a) interest on such indebtedness, costs, and other expenses at the rate set forth in the Operating Agreement or the maximum rate allowed by law, whichever is the lesser, (b) reasonable attorneys' fees, (c) court costs, and (d) other directly related collection costs. If any Non-Operating Party does not pay such costs and other expenses or perform its obligations under the Operating Agreement when due, the Operator and the other Non-Operating Parties shall have the additional right to notify the purchaser or purchasers of the defaulting Non-Operating Party's Hydrocarbon production and collect such costs and other expenses out of the proceeds from the sale of the defaulting Non-Operating Party's share of Hydrocarbon production until the amount owed has been paid. The Operator and the other Non-Operating Parties shall have the right to offset the amount owed against the proceeds from the sale of such defaulting Non-Operating Party's share of Hydrocarbon production. Any purchaser of such Hydrocarbon production shall be entitled to rely on the statement of the Operator or the other Non-Operating Parties, as the case may be, concerning the amount of costs and other expenses owed by the defaulting Non-Operating Party, and payment made to the Operator or the other Non-Operating Parties, as the case may be, by any purchaser shall be binding and conclusive as between such purchaser and such defaulting Non-Operating Party. In addition, the Operator and the other Non-Operating Parties shall have the right to offset the amount owed against any and all revenues attributable to such defaulting Non-Operating Party's interest in any portion of the Prospect Area, inclusive of all Leases, wells, equipment, Production Systems, Facilities and other property within the Prospect Area and/or any and all sums otherwise due and owing by Operator and/ or any Non-Operating Party to such defaulting Non-Operating Party.

The maximum amount for which the mortgage and collateral assignment herein granted by each Non-Operating Party shall be deemed to secure the obligations and indebtedness of such Non-Operating Party to the Operator and/or the other Non-Operating Parties, as the case may be, as stipulated herein is hereby fixed in an amount equal to $50,000,000.00 (the "Limit of the Mortgage of each Non-Operating Party"). Except as provided in the previous sentence (and then only to the extent such limitations are required by law), the entire amount of obligations and indebtedness of each Non-Operating Party to the Operator and/or other Non-Operating Parties is secured hereby without limitation. Notwithstanding the foregoing Limit of the Mortgage of each Non-Operating Party, the liability of each Non-Operating Party under the Operating Agreement and the mortgage and security interest granted hereby shall be limited to (and the Operator and/or other Non-Operating Parties shall not be entitled to enforce the same against such Non-Operating Party for, an amount exceeding) the actual obligations and indebtedness, (including all interest charges, costs, attorneys' fees, and other charges provided for in the Operating Agreement or in this Declaration, outstanding and unpaid and that are attributable to or charged against the interest of such Non-Operating Party pursuant to the Operating Agreement.

5.2 ***Security Interest Grant by Non-Operating Parties.*** To secure the complete and timely performance of and payment by each Non-Operating Party of all obligations and indebtedness of every kind and nature, whether now owed by such Non-Operating Parties or hereafter arising, pursuant to the Operating Agreement, each Non-Operating Party, as debtor, hereby grants to the Operator and to the other Non-Operating Parties, each as

secured party, a continuing security interest in and to all of its rights, titles, interests, claims, general intangibles, proceeds, and products thereof, whether now existing or hereafter acquired, in and to (a) all oil and gas produced from the lands or offshore blocks covered by the Leases or attributable to the Leases when produced, (b) all accounts receivable accruing or arising as a result of the sale of such oil and gas (including, without limitation, accounts arising from gas imbalances or from the sale of oil and gas at the wellhead), (c) all cash or other proceeds from the sale of such oil and gas once produced, and (d) all Production Systems (including without limitation the Medusa Spar), Facilities, wells, fixtures, other corporeal property, whether movable or immovable, whether now or hereafter placed on the lands or offshore blocks covered by the Leases or maintained or used in connection with the ownership, use or exploitation of the Leases, and other surface and sub-surface equipment of any kind or character located on or attributable to the Leases and all accounts receivable accruing or arising as a result of, and all cash or other proceeds realized from, the sale, transfer, disposition or conversion thereof. The interest of the granting Non-Operating Party in and to the oil and gas produced from or attributable to the Leases when extracted and the accounts receivable accruing or arising as the result of the sale thereof shall be financed at the wellhead of the well or wells located on the Leases. To the extent susceptible under applicable law, the security interest granted by each Non-Operating Party hereunder covers: (A) all substitutions, replacements, and accessions to the property of such Non-Operating Party described herein and is intended to cover all of the rights, titles and interests of such Non-Operating Party in all movable property now or hereafter located upon or used in connection with the Leases, whether corporeal or incorporeal, whether now owned or existing or hereafter acquired or arising; (B) all rights under any gas balancing agreement, farmout rights, option farmout rights, acreage and cash contributions, and conversion rights of such Non-Operating Party in connection with the Leases, or the oil and gas produced from or attributable to the Leases, whether now owned and existing or hereafter acquired or arising, including, without limitation, all interests of each Non-Operating Party in any partnership, tax partnership, limited partnership, association, joint venture, or other entity or enterprise that holds, owns, or controls any interest in the Leases; and (C) all rights, claims, general intangibles, and proceeds, whether now existing or hereafter acquired, of each Non-Operating Party in and to the contracts, agreements, permits, licenses, rights-of-way, and similar rights and privileges that relate to or are appurtenant to the Leases, including the following:

(i) all of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in, to, and under or derived from any present or future operating, farmout, bidding, pooling, unitization, and communitization agreements, assignments, and subleases, whether or not described in any exhibit or attachment to this Declaration, to the extent, and only to the extent that such agreements, assignments, and subleases cover or include any of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in and to all or any portion of the Leases, and all units created by any such pooling, unitization, and communitization agreements and all units formed under orders, regulations, rules, or other official acts of any governmental authority having jurisdiction, to the extent and only to the extent that such units

cover or include all or any portion of the Leases;

(ii) all of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in, to, and under or derived from all presently existing and future advance payment agreements, and oil, casinghead gas, and gas sales, exchange, and processing contracts and agreements, including, without limitation, those contracts and agreements that are herein described, if any, to the extent, and only to the extent, those contracts and agreements cover or include all or any portion of the Leases and/or the Prospect Area; and

(iii) all of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in, to, and under or derived from all existing and future permits, licenses, rights-of-way, and similar rights and privileges that relate to or are appurtenant to the Leases and/or the Prospect Area.

5.3 *Mortgage By Operator.* The Operator, as mortgagor and secured party, hereby grants to, and collaterally assigns in favor of, each Non-Operating Party, each as mortgagee and secured party, a mortgage, hypothecation, and pledge of and over all of its rights, titles, and interests, now owned or hereafter acquired, in and to (a) the Leases; (b) the oil and gas in, on, under, and that may be produced from the lands within the Leases and the Prospect Area; (c) the Production Systems and Facilities, including, without limitation, the Medusa Spar; and (d) all other immovable property or other property susceptible of mortgage situated within the Prospect Area, including without limitation all facilities, pipelines, flowlines, wells, platforms and other improvements, buildings and other constructions now or hereafter located upon the Prospect Area, and all easements, rights-of-way and other similar interests and rights located upon the Prospect Area (inclusive of but without limitation to those, if any, described on Attachment I hereto), together with all tenements, hereditaments, appurtenances and other property, of any nature or kind, in anywise appertaining, belonging, affixed or incidental to any of the foregoing property, and all rents, issues, profits and products of any of the foregoing.

This mortgage is given to secure the complete and timely performance of and payment by the Operator of all obligations and indebtedness of every kind and nature, whether now owed by the Operator or hereafter arising, pursuant to the Operating Agreement. To the extent susceptible under applicable law, this mortgage and the security interests granted in favor of each Non-Operating Party herein shall secure the payment of all costs and other expenses properly charged to or being the obligation of the Operator, together with (a) interest on such indebtedness, costs, and other expenses at the rate set forth in the Operating Agreement or the maximum rate allowed by law, whichever is the lesser, (b) reasonable attorneys' fees, (c) court costs, and (d) other directly related collection costs. If the Operator does not pay such costs and other expenses or perform its obligations under the Operating Agreement when due, the Non-Operating Parties shall have the additional right to notify the purchaser or purchasers of the Operator's Hydrocarbon production and collect such costs and other expenses out of the proceeds from the sale of the Operator's share of Hydrocarbon production until the amount owed has been paid. The Non-Operating

Parties shall have the right to offset the amount owed against the proceeds from the sale of the Operator's share of Hydrocarbon production. Any purchaser of such Hydrocarbon production shall be entitled to rely on the Non-Operating Parties' statement concerning the amount of costs and other expenses owed by the Operator and payment made to the Non-Operating Parties by any purchaser shall be binding and conclusive as between such purchaser and the Operator. In addition, each Non-Operating Party shall have the right to offset the amount owed against any and all revenues attributable to such defaulting Operator's interest in any portion of the Prospect Area, inclusive of all Leases, wells, equipment, Production Systems, Facilities and other property within the Prospect Area and/or any and all sums otherwise due and owing by such Non-Operating Party to Operator.

The maximum amount for which the mortgage and collateral assignment herein granted by the Operator shall be deemed to secure the obligations and indebtedness of the Operator to each Non-Operating Party as stipulated herein is hereby fixed in an amount equal to $50,000,000.00 (the "Limit of the Mortgage of the Operator"). Except as provided in the previous sentence (and then only to the extent such limitations are required by law), the entire amount of obligations and indebtedness of the Operator to the Non-Operating Parties is secured hereby without limitation. Notwithstanding the foregoing Limit of the Mortgage of the Operator, the liability of the Operator under the Operating Agreement and the mortgage and security interest granted hereby shall be limited to (and the Non-Operating Parties shall not be entitled to enforce the same against the Operator for, an amount exceeding) the actual obligations and indebtedness (including all interest charges, costs, attorneys' fees, and other charges provided for in the Operating Agreement or in this Declaration, outstanding and unpaid and that are attributable to or charged against the interest of the Operator pursuant to the Operating Agreement.

5.4 ***Security Interest Grant by Operator.*** To secure the complete and timely performance of and payment by the Operator of all obligations and indebtedness of every kind and nature, whether now owed by the Operator or hereafter arising, pursuant to the Operating Agreement, the Operator, as debtor, hereby grants to each Non-Operating Party, each as secured party, a continuing security interest in and to all of its rights, titles, interests, claims, general intangibles, proceeds, and products thereof, whether now existing or hereafter acquired, in and to (a) all oil and gas produced from the lands or offshore blocks covered by the Leases or attributable to the Leases when produced, (b) all accounts receivable accruing or arising as a result of the sale of such oil and gas (including, without limitation, accounts arising from gas imbalances or from the sale of oil and gas at the wellhead), (c) all cash or other proceeds from the sale of such oil and gas once produced, and (d) all Production Systems (including, without limitation, the Medusa Spar), Facilities, wells, fixtures, other corporeal property whether movable or immovable, whether now or hereafter placed on the lands or offshore blocks covered by the Leases or maintained or used in connection with the ownership, use or exploitation of the Leases, and other surface and sub-surface equipment of any kind or character located on or attributable to the Leases and all accounts receivable accruing or arising as a result of, and all cash or other proceeds realized from, the sale, transfer, disposition or conversion thereof. The interest of the Operator in and to the oil and gas produced from or attributable to the Leases when extracted and the accounts receivable accruing or arising as the result of the sale thereof

shall be financed at the wellhead of the well or wells located on the Leases. To the extent susceptible under applicable law, the security interest granted by the Operator hereunder covers: (A) all substitutions, replacements, and accessions to the property of the Operator described herein and is intended to cover all of the rights, titles and interests of the Operator in all movable property now or hereafter located upon or used in connection with the Leases, whether corporeal or incorporeal, whether now owned or existing or hereafter acquired or arising; (B) all rights under any gas balancing agreement, farmout rights, option farmout rights, acreage and cash contributions, and conversion rights of the Operator in connection with the Leases, or the oil and gas produced from or attributable to the Leases, whether now owned and existing or hereafter acquired or arising, including, without limitation, all interests of the Operator in any partnership, tax partnership, limited partnership, association, joint venture, or other entity or enterprise that holds, owns, or controls any interest in the Leases; and (C) all rights, claims, general intangibles, and proceeds, whether now existing or hereafter acquired, of the Operator in and to the contracts, agreements, permits, licenses, rights-of-way, and similar rights and privileges that relate to or are appurtenant to the Leases, including the following:

(i) all of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in, to, and under or derived from any present or future operating, farmout, bidding, pooling, unitization, and communitization agreements, assignments, and subleases, whether or not described in any exhibit or attachment to this Declaration, to the extent, and only to the extent, that such agreements, assignments, and subleases cover or include any of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in and to all or any portion of the Leases, and all units created by any such pooling, unitization, and communitization agreements and all units formed under orders, regulations, rules, or other official acts of any governmental authority having jurisdiction, to the extent and only to the extent that such units cover or include all or any portion of the Leases;

(ii) all of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in, to, and under or derived from all presently existing and future advance payment agreements, and oil, casinghead gas, and gas sales, exchange, and processing contracts and agreements, including, without limitation, those contracts and agreements that are described herein, if any, to the extent, and only to the extent, those contracts and agreements cover or include all or any portion of the Leases and/or the Prospect Area; and

(iii) all of its rights, titles, and interests, whether now owned and existing or hereafter acquired or arising, in, to, and under or derived from all existing and future permits, licenses, rights-of-way, and similar rights and privileges that relate to or are appurtenant to any of the Leases and/or the Prospect Area.

6.0 The Parties authorize the Operator, or any Non-Operating Party if Operator fails to act, to file this Declaration in the public records set forth below to serve as notice of the existence of the Operating Agreement as a burden on the title of the Operator and the Non-Operating Parties to their interests in the Prospect Area, including without limitation their interests in the Leases, wells, equipment, Production Systems (including, without limitation, the Medusa Spar), Facilities, Hydrocarbon production and other property within the Prospect Area, and any and all other property covered hereby and for purposes of satisfying otherwise relevant recording and filing requirements of applicable law, and to attach an original or copy of this Declaration to a standard UCC-1 form for filing in the UCC records set forth below to perfect the security interests created by the Parties in this Declaration. This Declaration may be amended from time to time upon acquisition of additional interests in the Prospect Area, and the Parties shall, within five business days following request by one of the Parties hereto, execute and furnish to the requesting Party for recordation any such amendment. This Declaration may be filed or recorded, as the case may be, in (a) the conveyance records of the parish or parishes adjacent to the lands or offshore blocks covered by the Leases pursuant to La. R.S. 9:2731, et seq., (b) the mortgage records of such parish or parishes, (c) the applicable files of the Minerals Management Service, Gulf of Mexico Region, and (d) the appropriate Uniform Commercial Code records of any applicable jurisdiction.

7.0 Upon default of any covenant or condition of the Operating Agreement, in addition to any other remedy afforded by law, each party to the Operating Agreement and any successor to such party by assignment, operation of law, or otherwise, shall have, and is hereby given and vested with, (i) the power and authority to foreclose the mortgage, pledge, and security interest established in its favor herein and in the Operating Agreement in the manner provided by law and to exercise all rights of a secured party under the Uniform Commercial Code and (ii) the additional right to notify the purchaser or purchasers of defaulting Party's production and collect such indebtedness out of the proceeds from the sale of such defaulting Party's share of production until the amount owed has been paid. The Operator shall have the right to offset the amount owed against the proceeds from the sale of such defaulting Party's share of production. Any purchaser of such production shall be entitled to rely on the Operator's statement concerning the amount of indebtedness owed by such Non-Operating Party and payment made to the Operator by any purchaser shall be binding and conclusive as between such purchaser and such Non-Operating Party.

8.0 Upon expiration of the Operating Agreement and the satisfaction of all obligations and indebtedness arising thereunder, the Operator, on behalf of all parties to the Operating Agreement, shall file of record an appropriate release and termination of all security and other rights created under the Operating Agreement and this Declaration executed by all parties to the Operating Agreement. Upon the filing of such release and termination instrument, all benefits and obligations under this Declaration shall terminate as to all parties who have executed or ratified this Declaration. In addition, at any time prior to the filing of such release and termination instrument, each of the Operator and the Non-Operating Parties shall have the right to (i) file a continuation statement pursuant to the Uniform Commercial Code with respect to any financing statement filed in their favor under the terms of this Declaration and (ii) reinscribe this act in the appropriate mortgage records.

9.0 It is understood and agreed by the Parties hereto that if any part, term, or provision of this Declaration is held by the courts 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 Declaration did not contain the particular part, term, or provision held to be invalid.

10.0 This Declaration shall be binding upon and shall inure to the benefit of the Parties hereto and their respective legal representatives, successors and permitted assigns.

11.0 A party having an interest in the Prospect Area may ratify this Declaration by execution and delivery of an instrument of ratification, adopting and entering into this Declaration, and such ratification shall have the same effect as if the ratifying party had executed this Declaration or a counterpart thereof. By execution or ratification of this Declaration, such party hereby consents to its ratification and adoption by any party who acquires or may acquire any interest in the Prospect Area.

12.0 This Declaration 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 in each of the records described in Paragraph 6 above, duplicate copies of this Declaration with individual signature pages attached thereto may be filed of record, one copy of each to be indexed in the name of the Operator, as grantor or mortgagor, and one copy of each to be indexed in the name of each Non-Operating Party, as grantor or mortgagor, and duplicate copies of this Declaration with individual signature pages attached thereto may be filed in the appropriate Uniform Commercial Code records, one filing for the Operator, as secured party, and another filing for the Non-Operating Parties, as secured parties. The respective addresses of the Operator, as both secured party and debtor, and the Non-Operating Parties, as both debtors and secured parties, at which information with respect to the security interests created in the Operating Agreement may be obtained, as well as the organizational numbers of each Party, are set forth in Paragraph 1.0 of this Declaration.

13.0 The Operator and the Non-Operating Parties hereby agree to execute, acknowledge and deliver or cause to be executed, acknowledged and delivered, any instrument or take any action necessary or appropriate to effectuate the terms of this Declaration, including without limitation the perfection of any of the mortgages, liens, pledges and security interests granted hereunder.

14.0 Whenever the context requires, reference herein made to the single number shall be understood to include the plural, and the plural shall likewise be understood to include the singular, and specific enumeration shall not exclude the general, but shall be construed as cumulative.

15.0 The provisions of this Declaration shall govern in the event of any conflict with the provisions of the Operating Agreement.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

EXECUTED on the dates set forth below each signature but effective as of the 29th day of August, 2003.

OPERATOR:

WITNESSES:

MURPHY EXPLORATION & PRODUCTION COMPANY - USA

Dianne F. Cote
DIANNE F. Cote
(Printed Name of Witness)

By: Eugene T. Coleman
Printed Name: Eugene T. Coleman
Title: Subsea Systems Manager
Date: 8/29/03

James A. Krug
James A. Krug
(Printed Name of Witness)

NON-OPERATING PARTY:

WITNESSES:

CALLON PETROLEUM OPERATING COMPANY

_____
(Printed Name of Witness)

By: _____
Printed Name: _____
Title: _____
Date: _____

_____
(Printed Name of Witness)

NON-OPERATING PARTY:

WITNESSES:

ENI DEEPWATER LLC

_____
(Printed Name of Witness)

By: _____
Printed Name: _____
Title: _____
Date: _____

_____
(Printed Name of Witness)

ACKNOWLEDGMENT

OPERATOR:

STATE OF Louisiana

PARISH OF Orleans

On this 29th day of Aug., before me, appeared Eugene T. Coleman, to me personally known, who, being by me duly sworn, did say that he is the Subsea Systems Mgr of Murphy Exploration & Production Company - USA, a Delaware corporation, and that the foregoing instrument was signed on behalf of the corporation by authority of its Board of Directors and that Eugene T. Coleman acknowledged the instrument to be the free act and deed of the corporation.

NOTARY PUBLIC in and for
the State of Louisiana

My Commission expires:

STEVEN L. JONES, NOTARY PUBLIC
IN AND FOR JEFFERSON PARISH
STATE OF LOUISIANA
MY COMMISSION EXPIRES AT DEATH

EXECUTED on the dates set forth below each signature but effective as of the _____ day of _____, _____.

OPERATOR:

WITNESSES:

MURPHY EXPLORATION & PRODUCTION COMPANY - USA

_____
_____
(Printed Name of Witness)

By: _____
Printed Name: _____
Title: _____
Date: _____

_____
_____
(Printed Name of Witness)

NON-OPERATING PARTY:

WITNESSES:

CALLON PETROLEUM OPERATING COMPANY

Brenda Bennett
Brenda Bennett
(Printed Name of Witness)

By:
Printed Name: Dennis W. Christian
Title: Chief Operating Officer
Date: 2 Sept 2003

Patty Serafin
Patty Serafin
(Printed Name of Witness)

NON-OPERATING PARTY:

WITNESSES:

ENI DEEPWATER LLC

_____
_____
(Printed Name of Witness)

By: _____
Printed Name: _____
Title: _____
Date: _____

_____
_____
(Printed Name of Witness)

ACKNOWLEDGMENT

NON-OPERATING PARTIES:

STATE OF Mississippi

COUNTY OF Adams

On this 2nd day of Sept, 2003, before me, appeared James W. Christian, to me personally known, who, being by me duly sworn, did say that he is the Chief Operating Officer of Callon Petroleum Operating Company, a Delaware corporation, and that the foregoing instrument was signed on behalf of the corporation by authority of its Board of Directors and that he acknowledged the instrument to be the free act and deed of the corporation.

Shirley C. Petkovsek
NOTARY PUBLIC in and for
the State of Mississippi

My Commission expires:

MISSISSIPPI STATEWIDE NOTARY PUBLIC
MY COMMISSION EXPIRES JULY 24, 2007
BONDED THRU STEGALL NOTARY SERVICE

STATE OF _____

COUNTY OF _____

On this _____ day of _____, before me, appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of Eni Deepwater LLC, a Delaware limited liability company, and that the foregoing instrument was signed on behalf of the limited liability company by authority of its _____ and that _____ acknowledged the instrument to be the free act and deed of the limited liability company.

_____
NOTARY PUBLIC in and for
the State of _____

My Commission expires:

EXECUTED on the dates set forth below each signature but effective as of the day of

OPERATOR:

WITNESSES:

MURPHY EXPLORATION & PRODUCTION COMPANY - USA

_____

(Printed Name of Witness)

By: _____
Printed Name: _____
Title: _____
Date: _____

_____

(Printed Name of Witness)

NON-OPERATING PARTY:

WITNESSES:

CALLON PETROLEUM OPERATING COMPANY

_____

(Printed Name of Witness)

By: _____
Printed Name: _____
Title: _____
Date: _____

_____

(Printed Name of Witness)

NON-OPERATING PARTY:

WITNESSES:

ENI DEEPWATER LLC

Ralph Watson
Ralph Watson
(Printed Name of Witness)

By: Mary F. Clifford
Printed Name: Mary F. Clifford
Title: Attorney-in-Fact
Date: SEP 02 2009

Martin V. Black
Martin V. Black
(Printed Name of Witness)

Eni Petroleum US LLC

ACKNOWLEDGMENT

NON-OPERATING PARTIES:

STATE OF _____

COUNTY OF _____

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

_____
NOTARY PUBLIC in and for
the State of _____

My Commission expires:

STATE OF Texas

COUNTY OF Harris

On this 2nd day of September 2003, before me, appeared Gary F. Clifford, to me personally known, who, being by me duly sworn, did say that he is the Attorney-in-Fact of Eni Deepwater LLC, a Delaware limited liability company, and that the foregoing instrument was signed on behalf of the limited liability company by authority of its Board of Directors and that he acknowledged the instrument to be the free act and deed of the limited liability company.

LORI ANN PRICE
Notary Public, State of Texas
Commission Expires 02-06-2007

_____
NOTARY PUBLIC in and for
the State of Texas

My Commission expires:

ATTACHMENT "1"

Attached to and made a part of the
Declaration of Operating Agreement,
Mortgage, Security Agreement and
Financing Statement (Medusa Prospect) dated
effective August 29, 2003

I. DESCRIPTION OF LEASES

Federal OCS Lease bearing Serial no. 16614, dated effective June 1, 1996, from the United States of America, as lessor, in favor of Murphy Exploration & Production Company and Callon Petroleum Operating Company, as lessees, covering all of the Block 538, Mississippi Canyon Area, approximately 5,760 acres.

~~Federal OCS Lease bearing Serial no. 21174, dated effective July 1, 1999, from the United States of America, as lessor, in favor of Murphy Exploration & Production Company and Callon Petroleum Operating Company, as lessees, covering all of the Block 539, Mississippi Canyon Area, approximately 5,760 acres.~~

~~Federal OCS Lease bearing Serial no. 18260, dated effective July 1, 1997, from the United States of America, as lessor, in favor of Murphy Exploration & Production Company and Callon Petroleum Operating Company, as lessees, covering all of the Block 581, Mississippi Canyon Area, approximately 5,760 acres.~~

Federal OCS Lease bearing Serial no. 16623, dated effective June 1, 1996, from the United States of America, as lessor, in favor of Murphy Exploration & Production Company and Callon Petroleum Operating Company, as lessees, covering all of the Block 582, Mississippi Canyon Area, approximately 5,760 acres.

II. DEFINITION AND DESCRIPTION OF PRODUCTION SYSTEMS AND FACILITIES, INCLUDING THE MEDUSA SPAR, PIPELINE RIGHTS-OF-WAY, PLATFORMS, ETC.

As used in this Declaration, the following terms shall have the following meanings:

Facilities shall mean all production equipment beyond the wellhead connections (excluding Production Systems, but including injection and disposal wells) installed for the benefit of the Prospect Area to handle or service hydrocarbon production from the Prospect Area. Facilities also include (but are not limited to) the flowlines that transport hydrocarbons from the wellhead to the Production System, but exclude pipelines used to move hydrocarbons to shore.

Production System shall mean an offshore structure (whether fixed, compliant, subsea or floating), and all associated components thereof including the associated Facilities, flowlines, gathering line and risers which are used for the production of hydrocarbons from the Prospect Area. This term shall also include the following defined terms:

Subsea Production System shall mean an offshore subsea structure (i.e., where multiple wells or a single well could be utilized) or template and the components thereof (including flowlines and control systems) which are attached to the seafloor for use in obtaining hydrocarbon production from a well not drilled from a Production System but is routed to the Production System;

Initial Production System shall mean the Production System for the Prospect Area included in the first approved development plan;

Subsequent Production System shall mean any new or expanded Production System proposed after the installation of the Initial Production System for the Prospect Area.

Medusa Spar shall mean that portion of the Initial Production System comprised of that certain truss spar, hull, buoyancy cans, deck, facilities, equipment and moorings located on Mississippi Canyon Block 582, Outer Continental Shelf Gulf of Mexico, U.S.A., as constructed under that certain EPCI contract between J. Ray McDermott, Inc. and Murphy dated February 23, 2001, as amended, including any and all modifications, upgrades or expansions thereof, and whenever the term "Production System" is used in this Declaration, it shall be understood to include the Medusa Spar, and whenever the term "Facilities" is used in this Declaration, it shall be understood to include those components of the Medusa Spar falling within the definition of Facilities.

Eni Petroleum US LLC

The Leases and Prospect Area are located on the Outer Continental Shelf ("OCS"), Gulf of Mexico, USA

Eni Petroleum US LLC

Exhibit 2 to Financing Statement

Exhibit 1 is modified as follows:

1. Exclusion. Notwithstanding the provisions of Exhibit 1, the security interest evidenced by this filing does not cover and include or attach to or encumber, and there is expressly excluded therefrom all right, title and interest, if any, of the Debtors in and to (i) any and all distributions made or to be made to the Debtors pursuant to the Spar LLC Agreement and (ii) the membership interests of each of Operator and each Debtor in and to Spar LLC.

2. Deletions from Description of Leases. Federal OCS Leases bearing Serial Nos. 21174, 18260 and 21166 have expired.

Except as modified above, Exhibit 1 describes the collateral subject to this financing statement.