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COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

CHFP025

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

*insert full name of Company

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

6111

5030838

506435/13

Name of company

* ENDEAVOUR ENERGY UK LIMITED (the "Chargor")

Date of creation of the charge

10 March 2008

Description of the instrument (if any) creating or evidencing the charge (note 2)

A debenture (the "Debenture") dated 10 March 2008 between the Chargor and BNP Paribas (the "Security Trustee").

Amount secured by the mortgage or charge

+
10
all monies and obligations and liabilities owing or incurred by the Chargor or any Obligor to any Secured Creditor under or pursuant to the Finance Documents on and from 10 March 2008 in each case when the same become due for payment or discharge, whether by acceleration or otherwise, and whether such monies, obligations or liabilities are express or implied, present, future or contingent, joint or several, incurred as principal or surety; originally owing to a Secured Creditor or purchased (whether by assignment or otherwise) or acquired in any other way by it; denominated in sterling or any other currency; or incurred on any current or other banking account or in any other manner whatsoever (the "Secured Liabilities").

Terms not defined in this Form 395 have the meaning given to them in the attached continuation sheets

Names and addresses of the mortgagees or persons entitled to the charge

BNP PARIBAS
16 rue de Hanovre, 75002, Paris, France

Postcode

Presentor's name address and reference (if any)

Herbert Smith LLP
Exchange House
Primrose Street
London
EC2A 2HS

Time critical reference

For official Use (06/2005)

Mortgage Section

Post room

TUESDAY



A45 18/03/2008 309
COMPANIES HOUSE

Short particulars of all the property mortgaged or charged

Please see attached continuation sheets.

Please do not
write in
this margin

*Please complete
legibly, preferably
in black type, or
bold block
lettering*

Particulars as to commission allowance or discount (note 3)

Signed Herbert Smith LLP

Date 17 March 2008

On behalf of ~~XXXXXXXXXXXX~~ [chargee] †

*A fee is payable
to Companies
House in
respect of each
register entry
for a mortgage
or charge
(See Note 5)*

† delete as
appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395) If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398) A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No 398 is submitted
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given
- 3 In this section there should be inserted the amount or rate per cent of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his,
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return The rate of interest payable under the terms of the debentures should not be entered
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge Cheques and Postal Orders must be made payable to **Companies House**
- 6 The address of the Registrar of Companies is **Companies House, Crown Way, Cardiff CF14 3UZ**

SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED:

CONTINUATION SHEET 1 OF 6

NAME OF CHARGOR: ENDEAVOUR ENERGY UK LIMITED (5030838)

1 SECURITY

1 1 Creation of fixed charge

To the extent that such charge is capable of being effective, taking into account the provisions of clause 20 (*Project Accounts*) of the First Lien Credit Agreement and clause 8 (*Undertakings with regard to account proceeds*) of the Debenture, the Chargor charges to the Security Trustee, by way of fixed charge with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of the Chargor's rights to and title and interest from time to time in

1 1 1 the Relevant Project Accounts,

1 1 2 all amounts (including interest) from time to time standing to the credit of each Relevant Project Account,

1 1 3 (to the extent not effectively assigned under Clause 1 2 (*Assignments*)) any present or future Insurances and all Related Property Rights in respect thereof, and

1 1 4 subject to Clause 3 1 2 (*General*) of the Debenture (to the extent not effectively assigned under Clause 1 2 (*Assignments*)) the Hedging Agreements to which the Chargor is a party and all Related Property Rights in respect thereof

1 2 Assignments

Subject to Clause 3 1 2 (*General*) of the Debenture, the Chargor assigns to the Security Trustee with full title guarantee as a continuing security for the payment and discharge of the Secured Liabilities all of the Chargor's rights to and title and interest from time to time in

1 2 1 any present or future Insurances, together with all Related Property Rights in respect thereof; and

1 2 2 the Hedging Agreements to which the Chargor is a party, together with all Related Property Rights in respect thereof

1 3 Creation of floating charge

1 3 1 The Chargor charges to the Security Trustee by way of floating charge with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of the Chargor's rights to and title and interest from time to time in the whole of its property, assets, rights and revenues, whatsoever and wheresoever, present and future, other than any assets validly and effectively charged or assigned (whether at law or in equity) pursuant to Clauses 1 1 (*Creation of fixed charge*) or 1 2 (*Assignments*)

SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED:

CONTINUATION SHEET 2 OF 6

NAME OF CHARGOR: ENDEAVOUR ENERGY UK LIMITED (5030838)

1 3 2 Except as otherwise agreed in writing by the Security Trustee the floating charge hereby created ranks in priority to any Security which shall subsequently be created or permitted to arise by the Chargor or any Security created by a Receiver appointed under the Debenture and is a qualifying floating charge for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986

1 3 3 Without prejudice to Clause 1 3 2, the Security Trustee reserves any rights it may have to appoint an administrative receiver on and following the Enforcement Trigger Date in accordance with Sections 72B to H (inclusive) of the Insolvency Act 1986

2 FURTHER ASSURANCE

The Chargor shall at its own expense promptly upon request by the Security Trustee execute (in such form as the Security Trustee may reasonably require) such documents (including assignments, transfers, mortgages, charges, notices and instructions) in favour of the Security Trustee or its nominees and do all such assurances and things as the Security Trustee may reasonably require for

2 1 1 perfecting and/or protecting (by registration or in any other way) the security created or intended to be created by the Debenture;

2 1 2 conferring upon the Security Trustee such security as it may require over the assets of the Chargor outside of England and Wales which if in England or Wales would form part of or be intended to form part of the Charged Assets,

2 1 3 facilitating the realisation of all or any part of the Charged Assets, and/or

2 1 4 for exercising all powers, authorities and discretions conferred on the Security Trustee or any Receiver pursuant to the Debenture or by law

3 NEGATIVE PLEDGE UNDER THE DEED

Except as permitted by clause 21 4 (*Negative pledge*) of the Second Lien Credit Agreement and clause 23 4 2 (*Negative pledge*) of the First Lien Credit Agreement, the Chargor undertakes to the Security Trustee with respect to the Charged Assets that it shall

3 1 1 not create or allow to exist any Security on, over, or affecting, any of its assets, and

3 1 2 procure that no member of the Group creates or allows to exist any Security on, over, or affecting, any of its assets

4 DEFINITIONS AND INTERPRETATION

The terms used in this Form 395 and the attached continuation sheets have the meaning set out below

SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED:

CONTINUATION SHEET 3 OF 6

NAME OF CHARGOR: ENDEAVOUR ENERGY UK LIMITED (5030838)

"Accession Instrument" has the meaning given to that term in the Intercreditor Agreement

"Affiliate" means, in relation to any person, a Subsidiary of that person or a holding company of that person or any other Subsidiary of that holding company

"Agent" means BNP Paribas in its capacity as agent for the other finance parties or any other person that replaces it in such capacity in accordance with the Second Lien Credit Agreement

"Borrowing Base Asset" has the meaning given in the First Lien Credit Agreement

"Charged Assets" means the assets mortgaged, charged or assigned pursuant to Clauses 1 (*Security*) and 1.3 (*Creation of floating charge*)

"Enforcement Trigger Date" means the earlier of the First Lien Enforcement Date and the Second Lien Enforcement Date

"Finance Documents" means

- (A) the First Lien Documents,
- (B) the Secured Hedging Agreements,
- (C) the Second Lien Documents,
- (D) the Intercreditor Agreement,
- (E) any Accession Instrument, and
- (F) any other document that is designated as such by the Security Trustee and the Chargor

"First Lien Agent" means the Agent (as defined in the First Lien Credit Agreement) and any other person that replaces it in such capacity in accordance with the First Lien Credit Agreement and the Intercreditor Agreement

"First Lien Credit Agreement" means the \$225,000,000 secured revolving loan and letter of credit facility agreement dated 30 October 2006 between, among others, the Chargor and BNP Paribas and the Bank of Scotland plc (formerly, The Governor and Company of the Bank of Scotland)

"First Lien Documents" means the First Lien Credit Agreement and the other Finance Documents (as defined in the First Lien Credit Agreement) other than

- (G) any Secured Hedging Agreement, and
- (H) to the extent that the same relates to the accession by any party to the Finance Documents as a Hedging Bank, any Accession Instrument

"First Lien Enforcement Date" means the date on which the First Lien Agent has issued a notice under clause 25.23 (*Acceleration*) of the First Lien Credit Agreement and provided a copy of the same to the Second Lien Agent

SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED:

CONTINUATION SHEET 4 OF 6

NAME OF CHARGOR: ENDEAVOUR ENERGY UK LIMITED (5030838)

"First Lien Lender" means each of the Finance Parties (as defined in the First Lien Credit Agreement but excluding, for these purposes, the Security Trustee and the Hedging Banks) being

- (I) (as at 22 January 2008) the banks and financial institutions named in part II (*First Lien Lenders*) of schedule 1 (*Parties*) of the Intercreditor Agreement, and
- (J) each other person that accedes, and becomes a party, to the Intercreditor Agreement as a "First Lien Lender" in accordance with the Intercreditor Agreement,

which, in each case, has not ceased to be a party to the First Lien Credit Agreement in accordance with the terms of that agreement (where a person shall not cease to be a party to the First Lien Credit Agreement solely by reason of the prepayment or repayment of the Facility (as defined in the First Lien Credit Agreement))

"Group" means Endeavour International Corporation and its Subsidiaries for the time being other than any Non-Recourse Subsidiary

"Hedging Agreement" means any interest, currency or commodity swap, option, cap, collar, floor or similar arrangement or other hedging arrangement

"Hedging Bank" means

- (K) any First Lien Lender, and
- (L) any Affiliate of any First Lien Lender that executes or accedes to, and becomes a party to, the Intercreditor Agreement as a "Hedging Bank" in accordance with clause 13.5 (*Accession of Hedging Banks*) of the Intercreditor Agreement (provided that such Affiliate shall cease to be a "Hedging Bank" when that First Lien Lender ceases to be a First Lien Lender or, if earlier, when the relevant Affiliate ceases to be an Affiliate of the relevant First Lien Lender)

"Insurances" means any insurances that are required to be maintained by, or on behalf of, any Obligor or any member of the Group in respect of the Borrowing Base Assets and/or any activities related thereto pursuant to the First Lien Credit Agreement

"Intercreditor Agreement" means the intercreditor agreement dated 31 October 2006 between (among others) the Chargor and BNP Paribas as amended and restated pursuant to an amendment and restatement agreement dated 22 January 2008 between (among others) the Chargor and BNP Paribas

"Non Recourse Subsidiary" means any Subsidiary of Endeavour International Corporation which

- (A) does not own directly or indirectly (by shareholding or otherwise) an interest in any Borrowing Base Asset, and
- (B) which has been nominated as a "Non-Recourse Subsidiary" by Endeavour International Corporation by written notice to the Agent

"Obligor" means

SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED:

CONTINUATION SHEET 5 OF 6

NAME OF CHARGOR: ENDEAVOUR ENERGY UK LIMITED (5030838)

- (C) the Chargor,
- (D) each person that is listed in part I (*Obligors*) of schedule 1 (*Parties*) of the Intercreditor Agreement, and
- (E) each other person that accedes, and becomes a party, to the Intercreditor Agreement as an "Obligor" in accordance with the Intercreditor Agreement

"Project Accounts" has the meaning given in the First Lien Credit Agreement

"Receiver" means any person appointed by the Security Trustee to be a receiver or receiver and manager or administrative receiver of any property subject to the security created by the Debenture or any part thereof

"Relevant Project Accounts" means each Project Accounts held with the Account Bank (as defined in the First Lien Credit Agreement) in London being, as at the date of the Debenture, those accounts listed in schedule 2 (*Relevant Project Accounts*) of the Debenture

"Related Property Rights" means, in relation to any property or asset

- (A) the proceeds of sale and/or other realisation of that property or asset (or any part thereof or interest therein),
- (B) all Security, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title held by the Chargor in respect of such property or asset, and
- (C) all the Chargor's rights under any lease, licence or agreement for lease, sale or use in respect of such property or asset

"Second Lien Agent" means the Agent (as defined in the Second Lien Credit Agreement) and any other person that replaces it in such capacity in accordance with the Second Lien Credit Agreement and the Intercreditor Agreement

"Second Lien Credit Agreement" means the \$25,000,000 junior facility agreement dated 22 January 2008 between, among others, the Chargor, BNP Paribas and Bank of Scotland plc

"Second Lien Documents" means the Second Lien Credit Agreement and the other Finance Documents (as defined in the Second Lien Credit Agreement)

"Second Lien Enforcement Date" means the date on which the Second Lien Agent issues a notice under clause 23.23 (*Acceleration*) of the Second Lien Credit Agreement in accordance with clause 6.4 (*Action by Second Lien Lenders*) of the Intercreditor Agreement and provides a copy of the same to the First Lien Agent

"Second Lien Lender" means each of the Lenders (as defined in the Second Lien Credit Agreement) being

- (A) (as at 22 January 2008) each of the banks and financial institutions named in part III (*Second Lien Lenders*) of schedule 1 (*Parties*) of the Intercreditor Agreement, and

SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED:

CONTINUATION SHEET 6 OF 6

NAME OF CHARGOR: ENDEAVOUR ENERGY UK LIMITED (5030838)

- (B) Each other person that accedes, and becomes a party, to the Intercreditor Agreement as a "Second Lien Lender" in accordance with the Intercreditor Agreement,

which, in each case, has not ceased to be a party to the Second Lien Credit Agreement in accordance with the terms of that agreement (where a person shall not cease to be a party to the Second Lien Credit Agreement solely by reason of the prepayment or repayment of the Facility (as defined in the Second Lien Credit Agreement))

"Secured Creditor" means each of

- (A) the Security Trustee
- (B) the First Lien Lenders,
- (C) the Hedging Banks, and
- (D) the Second Lien Lenders

"Secured Hedging Agreement" means any Hedging Agreement entered into between any Obligor and any Hedging Bank in compliance with the Finance Documents on or after the date on which that Hedging Bank becomes a party the Intercreditor Agreement in its capacity as Hedging Bank

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

"Subsidiary" means a subsidiary undertaking within the meaning of section 258 of the Companies Act 1985



**CERTIFICATE OF THE REGISTRATION
OF A MORTGAGE OR CHARGE**

Pursuant to section 401(2) of the Companies Act 1985

**COMPANY NO. 5030838
CHARGE NO. 6**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEBENTURE DATED 10 MARCH
2008 AND CREATED BY ENDEAVOUR ENERGY UK LIMITED
FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM
THE COMPANY OR ANY OBLIGOR TO ANY SECURED
CREDITOR ON ANY ACCOUNT WHATSOEVER UNDER THE
TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING
OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT
TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE
18 MARCH 2008

GIVEN AT COMPANIES HOUSE, CARDIFF THE 21 MARCH 2008

PO AH



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES