



United States Department of the Interior

BUREAU OF OCEAN ENERGY MANAGEMENT

New Orleans Office
1201 Elmwood Park Boulevard
New Orleans, LA 70123-2394

In Reply Refer To: Bond. No. RLB0001037

January 3, 2024

Fairways Offshore Exploration, Inc.
13430 Northwest Freeway, Suite 800
Houston, TX 77040
Attn: Richard Timothy

Dear Mr. Timothy:

Your letter dated December 12, 2023, requesting cancellation of Outer Continental Shelf Mineral Lessee's and Operator's Bond and Act of Suretyship No. RLB0001037, in the amount of \$500,000, was received by our office on that same date. This bond, conditioned to cover Lease OCS-G 5740, all of Blocks 28 and 29, Chandeleur Area, with Fairways Specialty Sales and Services, Inc. as principal and RLI Insurance Company as surety.

Pursuant to 30 CFR 556.906 (d)(1) your bond may be cancelled seven years after the termination of the lease, six years after completion of all bonded obligations, or at the conclusion of any appeals or litigation related to your bonded obligation, whichever is the latest. The period of liability of Bond RLB0001037 was terminated October 20, 1999.

The Bureau of Ocean Energy Management has no objection to cancellation of the above bond. Therefore, Bond No. RLB0001037 is considered cancelled without residual liability, effective January 3, 2024, the date of final concurrence with such cancellation.

If you require further assistance, please contact Kathleen Lee at (504) 736-5774 or boemgomrfinancialassurance@boem.gov.

Sincerely,

BERNADETTE THOMAS
Digitally signed by
BERNADETTE THOMAS
Date: 2024.01.03
11:14:04 -06'00'

Bernadette Thomas
Regional Supervisor
Leasing and Plans

cc: Brent Kallop (brent.kallop@offshore-ep.com)
Meredith Anderson (manderson@indemco.com)



RECEIVED

December 12, 2023

*Leasing & Financial
Responsibility Section*

December 12, 2023

Bureau of Ocean Energy Management
Office of Leasing and Plans
1201 Elmwood Park Blvd.
New Orleans, LA 70123

**Re: Bond Cancellation Request
Bond RLB0001272, Bond RLB0001037, Bond RLB0001271, and Bond B6892
OCS Federal Waters, Gulf of Mexico**

Dear Sir or Madam:

Attached please find enclosed herein the following OCS bond posted by the Principal Fairways Offshore Exploration, Inc. (GoM Operator Number 2200) in favor of the BOEM as Principal, and with RLI INSURANCE COMPANY as Surety:

- **General Bond RLB0001272, PIPE Pipeline – Areawide, \$300,000, Property – Areawide, with RLI INSURANCE COMPANY as Surety**
- **General Bond RLB0001037, LDEV Development - Lease Specific, \$500,000, Property G05740, with RLI INSURANCE COMPANY as Surety**
- **General Bond RLB0001271, LDEV Development - Lease Specific, \$500,000, Property G11315, with RLI INSURANCE COMPANY as Surety**
- **General Bond B6892, OPER Operator - Lease Specific, \$50,000, Property G18944, with Surety Number 20724**

We hereby respectfully request that BOEM cancel **Bond RLB0001272, Bond RLB0001037, Bond RLB0001271, and Bond B6892** as all liability under these bonds has been terminated over seven years ago. In support of Fairways Offshore Exploration Inc.'s request, we kindly ask that you review the BOEM Online Lease Liability Report and the BOEM Property List that show no liabilities and termination dates over seven years ago.

As this request is accepted and processed, please provide notification via email to the following parties:

Brent Kallop, Fairways Offshore Exploration, Inc. (Principal): brent.kallop@offshore-ep.com
Meredith Anderson, U.S. Specialty Insurance Company (Surety): manderson@indemco.com

Thank you for your consideration. If you have any questions or need additional information, please contact Brent Kallop by email at brent.kallop@offshore-ep.com or by phone at 832-293-3433.

Sincerely,

A handwritten signature in cursive script that reads "Richard Timothy".

Richard Timothy
Secretary
FAIRWAYS OFFSHORE EXPLORATION, INC

Cc: IndemCo, L.P.