



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: MS GM 266A
OCS-G 16500

February 23, 2024

Talos Third Coast LLC
c/o McGriff
10100 Katy Freeway, Suite 400
Houston, Texas 77043-5272
Attn: Ashley Koletar, Attorney-in-Fact

Dear Ms. Koletar:

Your letter dated February 7, 2024, submitting replacement Supplemental Multi-Obligee Performance Bond No. DUA001307, in the amount of \$4,998,219, was received by our office on February 8, 2024. This bond, conditioned to cover Lease OCS-G 16500, all of Block 138, Main Pass Area, was executed on February 22, 2024, with Talos Third Coast LLC (03619) as principal and AXIS Insurance Company as surety. The Principal and Surety are held and firmly bound unto the Bureau of Ocean Energy Management, and McMoRan Oil & Gas LLC, (02312), as Co-Obligees.

This bond replaces Outer Continental Shelf (OCS) Supplemental Multi-Obligee Performance Bond No. EACX4014345, in the amount of \$4,998,219. This bond, conditioned to cover Lease OCS-G 16500, all of Block 138, Main Pass Area, was executed on November 21, 2018, with Talos Third Coast LLC as principal, and Endurance Assurance Corporation, as surety.

The replacement bond, Bond No. DUA001307, conforms to the requirements of the leasing and operating regulations for submerged lands of the Outer Continental Shelf and is considered effective as of January 29, 2024. The period of liability of Outer Continental Shelf (OCS) Multi-Obligee Supplemental Bond No. EACX4014345 is considered terminated and the bond is considered cancelled without residual liability on the same date.

Should you need further assistance, please contact Brad Fremen at (504) 736-2617 or boemgomrfinancialassurance@boem.gov.

Sincerely,

**BRIDGETTE
DUPLANTIS** Digitally signed by
BRIDGETTE DUPLANTIS
Date: 2024.02.23
11:45:18 -06'00'

Bridgette Duplantis, Section Chief
Leasing and Financial Responsibility Section,
Office of Leasing and Plans

cc: Talos Third Coast LLC (Principal)
333 Clay Street, Suite 3300
Houston, Texas 77002
Attn: Sergio L. Maiworm, Jr.
Chief Financial Officer and Senior Vice President

McMoRan Oil & Gas LLC (Co-Obligee)
201 St. Joseph Street, Second Floor
New Orleans, Louisiana 70130
Attn: Todd R. Cantrall

AXIS Insurance Company (Surety)
10000 Avalon Boulevard, Suite 200
Alpharetta, Georgia 3009
Attn: Vickie Lacy, Attorney-in-Fact

Sent Via Email To: patricia.rodriguez@TalosEnergy.com; akoletar@mcgriff.com; acasbon@fmi.com;
sstanfield@sompo-intl.com; vlacy@mcgriff.com

KNOW ALL BY THESE PRESENTS, that **Endurance Assurance Corporation**, a Delaware corporation ("EAC"), **Endurance American Insurance Company**, a Delaware corporation ("EAIC"), **Lexon Insurance Company**, a Texas corporation ("LIC"), and/or **Bond Safeguard Insurance Company**, a South Dakota corporation ("BSIC"), each, a "Company" and collectively, "**Sompo International**," do hereby constitute and appoint: **Marc W. Boots, Vickie Lacy, Maria D. Zuniga, Joseph R. Aulbert, Ashley Koletar, Ryan Varela, Richard Covington, Heather Noles, Melanie Salinas** as true and lawful Attorney(s)-In-Fact to make, execute, seal, and deliver for, and on its behalf as surety or co-surety; bonds and undertakings given for any and all purposes, also to execute and deliver on its behalf as aforesaid renewals, extensions, agreements, waivers, consents or stipulations relating to such bonds or undertakings provided, however, that no single bond or undertaking so made, executed and delivered shall obligate the Company for any portion of the penal sum thereof in excess of the sum of **One Hundred Million Dollars (\$100,000,000.00)**.

Such bonds and undertakings for said purposes, when duly executed by said attorney(s)-in-fact, shall be binding upon the Company as fully and to the same extent as if signed by the President of the Company under its corporate seal attested by its Corporate Secretary.

This appointment is made under and by authority of certain resolutions adopted by the board of directors of each Company by unanimous written consent effective the 30th day of March, 2023 for BSIC and LIC and the 17th day of May, 2023 for EAC and EAIC, a copy of which appears below under the heading entitled "Certificate".

This Power of Attorney is signed and sealed by facsimile under and by authority of the following resolution adopted by the board of directors of each Company by unanimous written consent effective the 30th day of March, 2023 for BSIC and LIC and the 17th day of May, 2023 for EAC and EAIC and said resolution has not since been revoked, amended or repealed:

RESOLVED, that the signature of an individual named above and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signature or seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

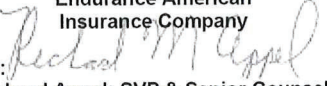
IN WITNESS WHEREOF, each Company has caused this instrument to be signed by the following officers, and its corporate seal to be affixed this 25th day of May, 2023.

Endurance Assurance Corporation

By: 
Richard Appel; SVP & Senior Counsel

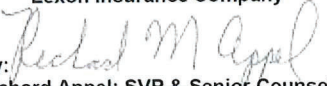


Endurance American Insurance Company

By: 
Richard Appel; SVP & Senior Counsel



Lexon Insurance Company

By: 
Richard Appel; SVP & Senior Counsel



Bond Safeguard Insurance Company

By: 
Richard Appel; SVP & Senior Counsel

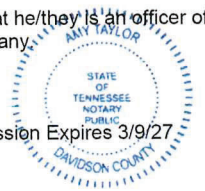


ACKNOWLEDGEMENT

On this 25th day of May, 2023, before me, personally came the above signatories known to me, who being duly sworn, did depose and say that he/she is an officer of each of the Companies; and that he executed said instrument on behalf of each Company by authority of his office under the by-laws of each Company.

By: 

Amy Taylor, Notary Public - My Commission Expires 3/9/27



CERTIFICATE

I, the undersigned Officer of each Company, DO HEREBY CERTIFY that:

1. That the original power of attorney of which the foregoing is a copy was duly executed on behalf of each Company and has not since been revoked, amended or modified; that the undersigned has compared the foregoing copy thereof with the original power of attorney, and that the same is a true and correct copy of the original power of attorney and of the whole thereof;
2. The following are resolutions which were adopted by the board of directors of each Company by unanimous written consent effective 30th day of March, 2023 for BSIC and LIC and the 17th day of May, 2023 for EAC and EAIC and said resolutions have not since been revoked, amended or modified:

"RESOLVED, that each of the individuals named below is authorized to make, execute, seal and deliver for and on behalf of the Company any and all bonds, undertakings or obligations in surety or co-surety with others: **RICHARD M. APPEL, MATTHEW E. CURRAN, MARGARET HYLAND, SHARON L. SIMS, CHRISTOPHER L. SPARRO,**

and be it further

RESOLVED, that each of the individuals named above is authorized to appoint attorneys-in-fact for the purpose of making, executing, sealing and delivering bonds, undertakings or obligations in surety or co-surety for and on behalf of the Company."

3. The undersigned further certifies that the above resolutions are true and correct copies of the resolutions as so recorded and of the whole thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal this 7th day of February, 2024.

By: 

Daniel S. Lurie, Secretary

NOTICE: U. S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL (OFAC)

No coverage is provided by this Notice nor can it be construed to replace any provisions of any surety bond or other surety coverage provided. This Notice provides information concerning possible impact on your surety coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous foreign agents, front organizations, terrorists, terrorist organizations, and narcotics traffickers as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's website - <https://www.treasury.gov/resource-center/sanctions/SDN-List>.

In accordance with OFAC regulations, if it is determined that you or any other person or entity claiming the benefits of any coverage has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, any coverage will be considered a blocked or frozen contract and all provisions of any coverage provided are immediately subject to OFAC. When a surety bond or other form of surety coverage is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments may also apply.

Any reproductions are void.

Surety Claims Submission: LexonClaimAdministration@sompo-intl.com

Telephone: 615-553-9500 Mailing Address: Sompo International; 12890 Lebanon Road; Mount Juliet, TN 37122-2870



RECEIVED
February 8, 2024
Leasing & Financial Responsibility
Section

February 7, 2024

via email transmission (boemGOMRfinancialassurance@boem.gov)

Bureau of Ocean Energy Management
Attn: Leasing & Financial Responsibility Section
1201 Elmwood Park Blvd., Mail Stop GM 266A
New Orleans, Louisiana 70123-2394

Re: Request for Acceptance of Talos Replacement Bond DUA001307 and Cancellation of Bond EACX4014345

Dear Sir or Madam:

On behalf of Talos Third Coast LLC, please find enclosed a fully executed Replacement Bond outlined below.

Current Bonds:

Principal	Surety	Bond No.	Bond Amount	Bond Type
Talos Third Coast LLC	Endurance Assurance Corporation	EACX4014345	\$4,998,219	Multi-Obligee Performance Bond

Replacement Bonds:

Principal	Surety	Bond No.	Bond Amount	Bond Type
Talos Third Coast LLC	AXIS Insurance Company	DUA001307	\$4,998,219	Multi-Obligee Performance Bond

Once the replacement bonds have been accepted, please email a fully executed copy of the replacement bond along with the release letter for the current bond to the email addresses below:

Patricia Rodriguez, Talos Energy: Patricia.Rodriguez@TalosEnergy.com
Ashley Koletar, McGriff (Broker): akoletar@mcgriff.com
Sarah Stanfield, Endurance (Surety): sstanfield@sompo-intl.com

Thank you for your consideration in this regard. Should you have any questions, please contact the undersigned at (713) 906-3013 or at the above-stated email address.

Sincerely,

Ashley Koletar

Ashley Koletar
Attorney-In-Fact

BOND NO. DUA001307

OCS LEASE NO. OCS-G 16500

BOND TYPE: SUPPLEMENTAL

PENAL SUM \$4,998,219.00

MULTI-OBLIGEE PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, Talos Third Coast LLC, a Delaware limited liability company, with its principal office at Three Allen Center, 333 Clay Street, Suite 3300, Houston, Texas 77002, assigned BOEM Company Qualification No. 03619 ("**Principal**"), and AXIS Insurance Company, with an office at 10000 Avalon Boulevard, Suite 200, Alpharetta, GA 30009 ("**Surety**"), are held and firmly bound unto (i) the United States of America, acting by and through the Bureau of Ocean Energy Management, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123 ("**BOEM Obligee**"), and (ii) McMoRan Oil & Gas LLC, with a mailing address of 1615 Poydras Street, New Orleans, Louisiana 70112 with BOEM Company Qualification No. 02312 ("**Prior Owner Obligee**") (BOEM Obligee and Prior Owner Obligee being sometimes collectively referred to herein as "**Co-Obligees**" or individually as "**Co-Obligee**"), for the penal sum of Four Million Nine Hundred Ninety Eight Thousand Two Hundred Nineteen and No/100 Dollars (\$4,998,219.00) lawful money of the United States of America, for the payment of which penal sum the Principal and the Surety bind themselves, their successors and assigns, jointly, severally, and in solido, firmly by these presents, pursuant to the terms hereof.

WHEREAS, Prior Owner Obligee is a former Lessee (as defined herein) on Federal Lease OCS-G 16500 ("**Lease**"), more fully described as follows:

All of Block 138, Main Pass Area, as shown on OCS Louisiana Leasing Map, LA10.

WHEREAS, pursuant to a transaction, dated as of October 11, 2018, between Castex Offshore, Inc. and GOME 1271 LLC, as Buyers (together, the "**Buyers**"), and Prior Owner Obligee, as Seller, through which Prior Owner Obligee transferred record title interest in the Lease to the Buyers (the "**GOME Transaction**"), GOME 1271 LLC ("**GOME**"), as a successor record title owner of the Lease, provided the required security for the Decommissioning Obligations (as defined below) to BOEM Obligee and Prior Owner Obligee in the form of a Multi-Obligee Performance Bond (designated as Bond No. B011681), accepted by BOEM Obligee on November 21, 2018, and attached hereto as Exhibit "A" (the "**Prior Security**"); and

WHEREAS, pursuant to the merger of GOME into Principal, effective February 28, 2020, Principal has succeeded to ownership of GOME's record title interest in the Lease (the "Talós Merger"); and

WHEREAS, pursuant to applicable laws, rules, regulations, and policies of BOEM Oblígee, Principal, as a record title owner of the Lease, is required to provide financial assurance for the Decommissioning Obligations (as defined below) to BOEM Oblígee, and, to that end, is hereby replacing the Prior Security with this Multi-Obligee Performance Bond (designated as Bond No. DUA001307) in favor of BOEM Oblígee and Prior Owner Oblígee (this "**Bond**"); and

WHEREAS, the Surety warrants that it is duly authorized by the proper public authorities to transact the business of indemnity and suretyship in the state where it executed this Bond, that it is qualified to be a surety and guarantor on bonds and undertakings, that it is named in the current Circular 570, published by the Audit Staff Bureau of Accounts, U.S. Department of the Treasury ("**Circular 570**"), and that its certificate of suretyship has not been revoked; and

WHEREAS, the Surety warrants that it has duly executed a power of attorney, appointing the hereinafter named representative as the true and lawful attorney-in-fact of such Surety, upon whom may be served all lawful process in any action or proceeding against such Surety in any court or before any officer, arising out of or founded upon this Bond or any liability hereunder, and does hereby agree and consent that such service, when so made, will be valid service upon it, and that such appointment will continue in force and effect and be irrevocable so long as any liability against it remains outstanding hereunder; but if the named representative becomes no longer able to act as the Surety's true attorney-in-fact, the Surety will immediately execute a new power of attorney appointing a replacement representative authorized to act as its true attorney-in-fact, and will promptly so inform each of the Co-Obligees.

NOW THEREFORE, the Principal, the Surety, and the Co-Obligees agree to the following:

1. Definitions. As used in this Bond, the following terms have the following meanings:

1.1 **Bond** means this multi-obligee performance bond, identified as Bond No. DUA001307;

1.2 **Instrument** includes, individually or collectively, any Lease, operating agreement, designation of operator or agent, storage agreement, transfer of operating rights, permit, license, grant, or easement, pursuant to which the Principal has the right, privilege, or license to conduct operations on the Lease to which this Bond applies;

1.3 **Decommissioning Obligation(s)** means any decommissioning obligation(s) or requirement(s) imposed on both the Principal and the Prior Owner Oblígee by, or arising from (i) the Lease, (ii) any regulations of the Department of the Interior, or (iii) any Instrument issued, maintained, or approved under the Outer Continental Shelf ("**OCS**") Lands Act (43 U.S.C. §§ 1331 et seq.), related to the record title, operating rights, or ownership interests in the Lease transferred to the Principal pursuant to the Talós Merger and that accrued before the Principal acquired record title, operating rights, or ownership interests therein and remained

unperformed on the date that BOEM Obligee approved assignment of such interests from Buyers to the Principal;

1.4 **Qualified Surety** means a surety named in the version of Circular 570 current at the time the Qualified Surety provides a bond, and at all times thereafter.

1.5 **Lessee** means a BOEM-approved owner of all or a portion of the record title in the Lease or a BOEM-approved owner of all or a portion of the operating rights under the Lease; or a Bureau of Safety and Environmental Enforcement ("**BSEE**") approved owner of a ;

1.6 **Person** includes an individual, a public or private entity, a State, a political subdivision of a State, any association of individuals, corporations, States, or subdivisions of States, or a governmental agency;

1.7 **Regional Director** means the Regional Director for the applicable BOEM Obligee Regional Office with jurisdiction over the Lease; and

1.8 **Default** means BOEM's determination that the Principal has failed to timely perform the Decommissioning Obligations.

2. The Principal, the Surety, and the Co-Obligees further agree to the following:

2.1 The Surety hereby guarantees, to each of the Co-Obligees, the full and faithful performance by Principal of the entirety of the Decommissioning Obligations. Under no circumstances, however, does such guarantee by the Surety exceed the penal sum of the Bond at any time in effect.

2.2 The Principal, as agent on behalf of all Lessees on the Lease, will fulfill the Decommissioning Obligations to the same extent as though the Principal were the sole Lessee, as well as the operating rights owner, for the portions of the Lease transferred to the Principal in the Talos Merger.

2.3 The Surety does hereby absolutely and unconditionally bind itself to each of (i) BOEM Obligee and (ii) Prior Owner Obligee for all sums required to fund the performance of the Decommissioning Obligations, up to the penal sum of the Bond, regardless of the number of years this Bond is in force.

2.4 The Surety will be responsible to each of the Co-Obligees for all Decommissioning Obligations of the Principal until the earlier of: (a) the satisfaction of all Decommissioning Obligations, (b) if the Bond is called, the Surety has provided the funds up to the penal sum of the Bond, or (c) the Decommissioning Obligations are covered by replacement financial assurance approved in writing by each of BOEM Obligee and Prior Owner Obligee which specifically secures the Decommissioning Obligations.

2.5 If the Regional Director terminates the period of liability of this Bond in accordance with 30 CFR 556.906, the Surety will remain responsible to the Co-Obligees for

Decommissioning Obligations that accrued during the period of liability until the Regional Director issues a written cancellation of the Bond in favor of the Surety.

2.6 If this Bond is cancelled, the Regional Director may reinstate this Bond as if no cancellation had occurred if any payment for performance of any Decommissioning Obligation of the Principal is rescinded or must be restored or repaid pursuant to any insolvency, bankruptcy, reorganization, or receivership, or should the representation of the Principal that it has performed the Decommissioning Obligations in accordance with BOEM specifications be materially false and BOEM relied upon such representation in canceling the Bond.

2.7 The Surety waives any right of notice of this Bond taking effect and agrees that this Bond will take effect as to each Co-Obligee upon delivery to such Co-Obligee.

2.8 Unless explicitly terminated, cancelled, or modified by both BOEM Obligor and Prior Owner Obligor in writing, and as provided for in this Bond, the Surety's obligations will remain in full force and effect, even if:

a) The Principal or any other person assigns all or part of any interest in an Instrument or in the Lease covered by this Bond;

b) Any person modifies an Instrument in any manner, including modifications that result from (i) a commitment to a unit, cooperative, or communitization, or storage agreement; (ii) suspension of operations or production; (iii) suspension or changes in rental, minimum royalty, or the payment of royalties; (iv) modification of regulations or interpretations of regulations; (v) creation or modification of compensatory royalty agreements or payments; or (vi) creation of any mortgage, pledge, or other grant of security interest in an Instrument or the Lease;

c) Any person, event, or condition terminates any Instrument or the Lease covered by this Bond, whether the termination is by operation of law or otherwise; or

d) Either Co-Obligee takes or fails to take any enforcement action against, or fails to give notice to, or make demand of, any party to any Instrument, concerning the payment or non-payment of rentals or royalties or the performance or nonperformance of any other covenant, term, or condition of the Lease, or any contract entered into with respect to the GOME Transaction.

2.9 BOEM Obligor will contemporaneously send a copy to Prior Owner Obligor of any notice of Default sent to Principal or Surety.

2.10 After a Default, and upon demand by either of the Co-Obligees, the Surety will provide to such Co-Obligee making demand, pursuant to the procedures set forth in this Section 2, payments up to the penal sum of the Bond to satisfy the Decommissioning Obligations.

2.11 Upon Default by the Principal, BOEM Obligor has the right to call the Bond, or a portion of the Bond, by demand upon the Surety without any requirement that BOEM Obligor

confer with, or obtain the agreement of, Prior Owner Obligatee, subject to the procedures, rights and obligations set forth in this Section 2.

2.12 Prior to calling the Bond pursuant to Paragraph 2.11, BOEM Obligatee will provide Prior Owner Obligatee with thirty (30) calendar days' advance written notice ("**BOEM Notice Period**") of BOEM Obligatee's intention to call the Bond (or portion thereof) and stating the scope of the Decommissioning Obligations upon which Principal has defaulted. If, within the BOEM Notice Period, Prior Owner Obligatee commits in writing to BOEM Obligatee to timely undertake the requisite activities to address the Decommissioning Obligations upon which Principal has defaulted, BOEM Obligatee will direct the Surety to pay to Prior Owner Obligatee the proceeds of the Bond (or portion thereof). Prior Owner Obligatee will utilize the proceeds of the Bond exclusively to diligently and continuously prosecute the performance of the requisite operations and activities until such time as the Decommissioning Obligations then requiring performance are satisfied.

2.13 If BOEM Obligatee calls the Bond, and within the BOEM Notice Period, Prior Owner Obligatee does not commit in writing to perform the Decommissioning Obligations, BOEM Obligatee has the right to receive performance of the Decommissioning Obligations by, or the payment of the Bond proceeds from, the Surety, with no further obligation to inform the Prior Owner Obligatee or any other party and BOEM Obligatee will place the proceeds of the Bond into an appropriate account and dedicate the proceeds to the performance of activities to address the Decommissioning Obligations then requiring performance.

2.14 Upon Default, Prior Owner Obligatee may call the Bond by demand upon the Surety if (a) Prior Owner Obligatee provides BOEM Obligatee with thirty (30) calendar days' advance written notice ("**Prior Owner Obligatee Notice Period**") of its intention to call the Bond (or portion thereof), and (b) agrees in writing to use the proceeds of the Bond exclusively to diligently and continuously prosecute the performance of the requisite operations and activities until such time as the Decommissioning Obligations then requiring performance are satisfied. Prior Owner Obligatee hereby acknowledges that this Bond and the procedures relating to utilization of Bond proceeds do not reduce or otherwise modify its regulatory liabilities associated with the Decommissioning Obligations.

2.15 If Prior Owner Obligatee receives Bond proceeds under any of the provisions of this Section 2, the proceeds will be placed into an escrow or other appropriate account in a federally-insured bank or a federally-insured thrift institution, from which the Prior Owner Obligatee may make a withdrawal or series of withdrawals upon submitting to BSEE applicable permits for the contemplated decommissioning operations made the subject of the Default. Prior Owner Obligatee pledges to use funds from this escrow or other appropriate account only for satisfying the Decommissioning Obligations then requiring performance.

2.16 If Prior Owner Obligatee receives bond proceeds under Paragraph 2.12 or withdraws Bond proceeds under Paragraph 2.15, but fails to commence performance of the Decommissioning Obligations, as specified in the regulations at 30 C.F.R., Part 250, subpart Q, within ninety (90) calendar days of receiving/withdrawing the Bond proceeds, or as otherwise mutually agreed in writing, Prior Owner Obligatee shall immediately tender to BOEM Obligatee the proceeds of the Bond

to arrange for performance of the requisite activities to address the Decommissioning Obligations then requiring performance. In order to give BOEM Obligor immediate access to the remaining Bond proceeds pursuant to this Paragraph 2.16, the Prior Owner Obligor will provide, in the agreement establishing the escrow or other appropriate account into which Prior Owner Obligor deposits the Bond proceeds, terms that authorize BOEM Obligor, after notifying Prior Owner Obligor of Prior Owner Obligor's failure to timely commence Decommissioning Obligations, to make withdrawals from the account consistent with this Paragraph 2.16.

2.17 Regardless of which Co-Obligor calls the Bond, and notwithstanding anything else to the contrary herein, any and all proceeds attributable to forfeiture, or call, of the Bond must be applied solely and exclusively to extinguish the Decommissioning Obligations, regardless of insolvency, bankruptcy, or default of the Principal, or an assignment by the Principal of all or part of its interests in the Lease, and all operations and activities necessary to be performed to extinguish such Decommissioning Obligations must be timely performed in accordance with the regulations of the Department of the Interior.

3. Miscellaneous.

3.1 Nothing in this Bond expands the obligations and liabilities of Prior Owner Obligor associated with the Lease pursuant to contract or law, and all such obligations and liabilities will be limited to the obligations and liabilities that accrued while Prior Owner Obligor was a Lessee, as that term is used herein.

3.2 If either Co-Obligor decides to commence suit to enforce its rights, it may commence and prosecute any claim, suit, action, or other proceeding against the Principal and Surety, or either of them, whether or not the other Co-Obligor joins such proceeding.

3.3 In the event there is more than one surety, or there are other types of financial assurance securing the Principal's performance of the Decommissioning Obligations, the Surety's obligation and liability under this Bond is on a "solidary" or "joint and several" basis along with such other surety(ies) and along with any other providers of such financial assurance.

3.4 The Surety agrees that, within five (5) calendar days after learning that it has been de-listed from the Circular No. 570, and/or of any action filed alleging the insolvency or bankruptcy of the Surety, or alleging any violation that would result in suspension or revocation of the Surety's certificate of suretyship, charter, or license to do business, the Surety will give notice to the Principal and the Co-Obligors.

3.5 The Principal agrees that, within five (5) calendar days after learning that the Surety has become bankrupt or, insolvent, or the Surety has had its charter or license to do business suspended or revoked, or is no longer named in the current Circular 570, the Principal will substitute a bond identical in all material respects to this Bond from another Qualified Surety (as defined above).

3.6 The Principal agrees that, within five (5) calendar days of learning of any action filed alleging the insolvency or bankruptcy of the Principal, or alleging any violation that would

result in suspension or revocation of the Principal's charter, or license to do business, it will notify the Co-Obligees and the Surety.

3.7 The Surety's obligation and liabilities under this Bond are binding upon the Surety's successors and assigns, if any. Nothing in this Bond permits assignment of the Surety's obligation without the written consent of each of the Co-Obligees.

3.8 The Surety hereby waives any defenses to liability on this Bond based on an unauthorized Principal signature.

3.9 No forbearance by either of the Co-Obligees will release the Principal and the Surety from any liability under this Bond to any Co-Obligee.

3.10 The penal sum of the Bond will be reduced by and to the extent of any payments made by Surety hereunder, or its successors and assigns. Additionally, from time to time as applicable, Co-Obligees agree to reduce the penal sum of this Bond to the extent Principle furnishes, to BSEE, satisfactory evidence that it has discharged a portion of the Decommissioning Obligations secured by this Bond and BSEE reduces the Decommissioning Obligations for the Lease, accordingly. The Bond, less any reductions for partial Decommissioning Obligations made by BSEE, will remain in full force and effect for the remaining balance of the Bond until all the Decommissioning Obligations are satisfied, or until a replacement bond from a Qualified Surety is provided.

3.11 No right or action will accrue on this Bond to or for the use of any person other than the Principal, Surety, the Prior Owner Obligee, and the BOEM Obligee, and their respective heirs, executors, debtor(s) in possession, administrators, assigns, or successors, pursuant to the terms of this Bond and applicable law.

3.12 A notice or communication under or in connection with this Bond shall be in writing and shall be deemed to have been duly given or made when (a) delivered by hand by a recognized courier delivery service, on the date shown on the receipt, or (b) in the case of delivery by United States certified mail with return receipt requested and postage prepaid, on the date of delivery. The addresses for all notices are as follows:

Principal:

Talos Third Coast LLC
Three Allen Center
333 Clay Street, Suite 3300
Houston, Texas 77002
Attention: Sergio L. Maiworm, Jr.
Telephone: (713) 328-3008

Surety:

Align Claim Services
1628 John F. Kennedy Blvd. Suite 1500
Philadelphia, PA 19103
Attention: Josh Pantescio
Telephone: (610) 340-8342

BOEM Obligee:

Bureau of Ocean Energy Management
1201 Elmwood Park Boulevard
New Orleans, Louisiana 70123
Attention: Leasing & Financial Responsibility Section
Telephone: (800) 200-4853

Prior Owner Obligee:

McMoRan Oil & Gas LLC
1615 Poydras Street
New Orleans, Louisiana 70112
Attention: Pamela Q. Masson
Telephone: (504) 582-4695

A party to this Bond may change its address for notices by written notice to the other parties.

3.13 BOEM Obligee acknowledges that Prior Owner Obligee and the Buyers are parties to the GOME Transaction, whereby the Buyers acquired interests in the Lease, and BOEM Obligee agrees that it has no rights, duties or obligations pursuant to the GOME Transaction, and it is not a third-party beneficiary under the agreements relevant to the GOME Transaction. Prior Owner Obligee and Principal acknowledge that BOEM Obligee may enforce its regulations concerning the obligations of assignors and assignees.

3.14 This Bond will be subject to, and interpreted in accordance with, federal law and, in the absence of federal law, the law of the State of Louisiana, the state adjacent to which the

Lease is located. All disputes arising out of or in connection with this Bond shall be resolved exclusively in the federal courts in Louisiana and the parties hereto consent to the jurisdiction and venue of such courts. Without limiting the foregoing, all regulations governing surety bonds included within 30 CFR 556.900, *et seq.* are incorporated herein by reference for the benefit of both BOEM Obligees and Prior Owner Obligees.

3.15 Any decommissioning obligations associated with the Lease and for which Prior Owner Obligees have no liability shall be covered by separate and distinct financial assurance provided to BOEM Obligees by Principal or another party.

3.16 This Bond may be executed in any number of counterparts each of which shall be an original, but such counterparts shall together constitute but one and the same instrument. Any .pdf (portable document format) or other electronic transmission hereof or signatures hereon shall, for all purposes, be deemed originals.

3.17 The Surety also accepts all Decommissioning Obligations of all previous Sureties or guarantors (if any) even if the Decommissioning Obligations are not Decommissioning Obligations of the Principal during the period of liability of this bond.

IN WITNESS WHEREOF, the above bound parties have executed this instrument to be effective on this 29th day of January, 2024, the name of each corporate party duly signed by its undersigned representative pursuant to authority of its governing body.

[Signature Pages Follow]

**Talos Third Coast LLC
PRINCIPAL**

By: 

Name: Sergio L. Maiworm, Jr.

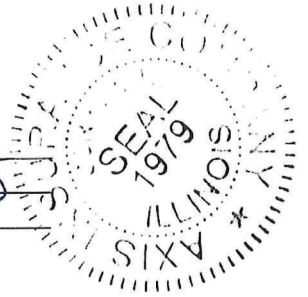
Title: Chief Financial Officer and
Senior Vice President

**AXIS Insurance Company
SURETY**

By: 

Name: Vickie Lacy

Title: Attorney-In-Fact



**McMoRan Oil & Gas LLC
PRIOR OWNER OBLIGEE**

By: 

Name: Todd R. Cantrell

Title: Senior Vice President

**United States of America Department of
the Interior
By: Bureau of Ocean Energy Management
BOEM OBLIGEE**

JAMES

KENDALL

By: 

Name: James Kendall

Title: Regional Director, Gulf of Mexico Region

Digitally signed by JAMES
KENDALL
Date: 2024.02.22
16:05:07 -06'00'

EXHIBIT "A"

*TO BE ATTACHED TO AND MADE PART OF MULTI-OBLIGEE
PERFORMANCE BOND FOR SUPPLEMENTAL LEASE, OCS-G
LEASE NO. **OCS-G 16500**, BOND NUMBER **DUA001307** IN FAVOR
OF THE UNITED STATES OF AMERICA, ACTING BY AND
THROUGH THE BUREAU OF OCEAN ENERGY MANAGEMENT
(BOEM), AND MCMORAN OIL & GAS LLC ON BEHALF OF TALOS
THIRD COAST LLC AS PRINCIPAL AND ISSUED THROUGH
ENDURANCE ASSURANCE CORPORATION, AS SURETY.*

DUA001307

POWER OF ATTORNEY

Know All Men by These Presents: That AXIS Insurance Company, an Illinois property and casualty company, (the "Company") does hereby appoint:

Ashley Koletar, Dylan Young, Heather Noles, Joseph R. Aubert, Marc W. Boots, Richard Covington, Ryan Varela, Vickie Lacy, and Maria D. Zuniga

as its true and lawful Attorney(s)-In-Fact, to make, execute, seal and deliver for and on its behalf as surety, bonds and undertakings, such documents to be valid as though executed by the Company on its own behalf. The Company may revoke this appointment at any time.

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This Power of Attorney is signed, sealed and certified under and by the authority of resolutions adopted by unanimous written consent of the Board of Directors of the Company on September 27, 2023.

RESOLVED, that in connection with the Agreements, any one of the Chief Executive Officer, President, any Executive Vice President, any Senior Vice President of the Company, or any Vice President - Surety (each an "Authorized Officer"), acting singly, shall have the power and authority to appoint and revoke Attorneys-In-Fact, and to allow such Attorneys-In-Fact to further delegate their power and authority pursuant to appropriate written agreements, to make, execute, seal and deliver for and on behalf of the Company as surety, bonds and undertakings, such documents to be valid as though executed by the Company on its own behalf; and

RESOLVED FURTHER, that each of the each of the Authorized Officers and any Secretary or Assistant Secretary of the Company, hereby is, acting singly, authorized, empowered and directed to perform such acts and things as may be necessary or appropriate to carry out the foregoing resolution and the transactions contemplated thereby.

In Witness Whereof, AXIS Insurance Company has caused this instrument to be signed and its corporate seal to be affixed by a duly elected and qualified officer, this 10th day of October, 2023.

Attested and Certified
AXIS Insurance Company

By:

Printed Name: Andrew M. Weissert

Title: Senior Vice President

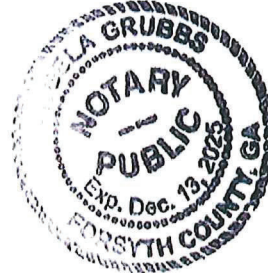


STATE OF GEORGIA
COUNTY OF FULTON

Before me personally came Andrew M. Weissert, Senior Vice President of AXIS Insurance Company, to me known to be the individual and officer described herein, who acknowledged that they, being duly authorized, signed, sealed with the corporate seal and delivered the foregoing instrument by the authority and direction of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal.

Angela Grubbs
Notary Public



CERTIFICATION

I, Frances R. Mathis, Assistant Secretary of AXIS Insurance Company, do hereby certify that the attached Power of Attorney the 10th day of October, 2023, on behalf of the person(s) as listed above is a true and correct copy and the same has been in full force and effect since the date thereof and is in full force and effect on the date of this certificate; and I do further certify that the said Andrew M. Weissert, who executed the Power of Attorney, was a duly elected Senior Vice President of AXIS Insurance Company on the date of the execution of the attached Power of Attorney.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the corporate seal of AXIS Insurance Company on this the 20th day of January, 2024.

By:

Printed Name: Frances R. Mathis

Title: Assistant Secretary

