



United States Department of the Interior

BUREAU OF OCEAN ENERGY MANAGEMENT

Gulf of Mexico OCS Region
1201 Elmwood Park Boulevard
New Orleans, LA 70123-2394

In Reply Refer To: MS GM 266A
OCS-G 25274

AUG 28 2018

Mr. Ben Marchive II
M21K
1021 Main (One City Centre), Suite 2626
Houston, TX 77002

Dear Mr. Marchive:

Your letter dated July 23, 2018, requesting cancellation of Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Supplemental Bond No. K09277493, in the amount of \$910,000 was received by our office on July 24, 2018. This bond, conditioned to cover Right-of-Way OCS-G 25374, was executed on July 22, 2015, with M21K, LLC as principal and Westchester Fire Insurance Company as surety.

The Bureau of Safety and Environmental Enforcement has assessed the decommissioning liability for OCS-G 25274 to be \$0. Therefore, the Bureau of Ocean Energy Management has no objection to cancellation of Bond No. K09277493, which is considered cancelled without residual liability effective August 23, 2018, the date of final concurrence with the cancellation.

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

Sincerely,

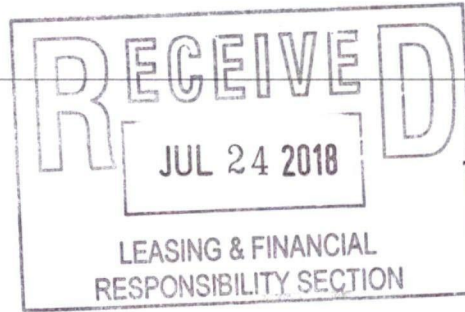
Bernadette Thomas
Acting Regional Supervisor
Leasing and Plans

cc: Mr. Eric S. Feighl
Westchester Fire Insurance Company
436 Walnut Street, PO Box 1000
Philadelphia, PA 19106

Sent Via Email To: bmarchiveii@energyxxi.com , john.hohlt@worthaminsurance.com



Ben Marchive II
Vice President, Land



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Houston, Texas 77002
Tel 713-351.3000 Fax 713.351.3300
www.energyxxi.com

July 23, 2018

Mr. Jaron Ming
Chief, Leasing and Financial Responsibility
Bureau of Ocean Energy Management
Gulf of Mexico OCS Region

Re: Cancellation of M21K, LLC (3248) Supplemental Bond K09277493

Mr. Ming:

M21K, LLC ("M21K") requests that the Bureau of Ocean Energy Management ("BOEM") cancels M21K Bond number K09277493 as the liability associated with right-of-way ("ROW") G 25274 has been reduced to zero.

M21K previously requested the release of Bond K08977493 per letter dated February 17, 2017, but per letter dated April 17, 2017, BOEM was unable to grant the cancellation of this Bond because of an objection from BSEE Pipelines due to this ROW still being active.

It has been confirmed with Nancy Bruce at the Office of Natural Resources Revenue ("ONRR") via email dated July 20, 2018, that the ONRR has updated their database and that the ROW has been abandoned since 8/13/2015.

Therefore, M21K requests the following:

1. ROW G25274 – please cancel Bond K09277493 in the amount of \$910,000 as issued by Westchester Fire Insurance Company as the ROW is no longer active, abandonment has been completed, and the liability associated with this ROW has been reduced to zero.

We appreciate your assistance in this matter, and we look forward to continuing to work on bonding issues with you. Please feel free to contact me at any time by phone at (713) 351-3077 or by email bmarchiveii@energyxxi.com.

Sincerely,

Ben Marchive II
Vice President, Land *cu*

Cc: Office of Leasing and Financial Responsibility
Kelly Jemison
David Denson
Wanda Lilly
TJ Thom Cepak
Courtney Lankford