



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
RLB0008064

SEP 13 2018

Palm Energy Offshore, L.L.C.
c/o Mr. Trent Colan
2925 Richmond Avenue, Suite 1600
Houston, TX 77098

Dear Mr. Colan:

Your letter dated August 18, 2018, requesting termination of the period of liability of Outer Continental Shelf (OCS) Right-of-Way Grant Bond No. RLB0008064, in the amount of \$300,000 was received by our office on August 13, 2018. This bond, conditioned to cover principal's pipeline operations in the Gulf of Mexico, was executed on March 30, 2005, with Palm Energy Offshore, L.L.C. as principal and RLI Insurance Company as surety.

We are unable to grant your request at this time. The Office of Natural Resources Revenue has an objection for outstanding liabilities. See attached Statement of Account.

If you require further assistance, please contact Mary Mitchell at mary.mitchell@onrr.gov.

Sincerely,

Susan Vaughan, Section Chief
Leasing and Financial Responsibility Section
Leasing and Plans

cc: Mr. Stephen Galjour
Palm Energy Offshore, L.L.C.
3850 N. Causeway Blvd., Suite 1510
Metairie, LA 70002

Sent Via Email To: ap@palmenergy.net , trent.colan@rlicorp.com , Energy.Surety@rlicorp.com



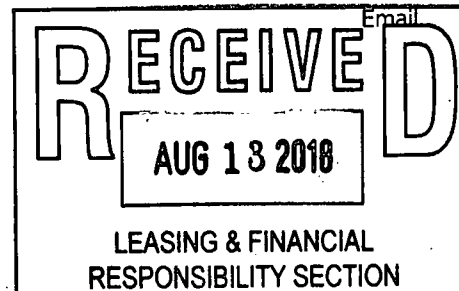
RLI Insurance Company

2925 Richmond Avenue | Suite 1600 | Houston, TX 77098
P: 713-961-1300 | F: 713-961-0285 | www.rlicorp.com

August 18th, 2018

The Bureau of Ocean Energy Management
Leasing and Financial Responsibility Section
1201 Elmwood Park Boulevard
New Orleans, LA 70123-2394

RE: Principal: Palm Energy Offshore, LLC
Bond No.: RLB0008064
\$300,000 OCS Right Of Way Bond
Effective: April 6, 2005
Surety: RLI Insurance Company ("RLI")



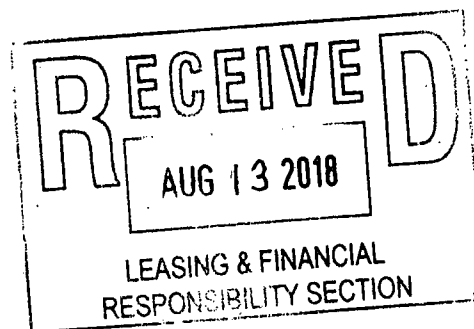
Hello:

By this letter, RLI Insurance Company respectfully requests the cancellation and/or termination of the above referenced bond. It is my understanding that per BOEM's records, there are no longer any ROWs that are covered under the bond, therefore the bond is no longer required.

If all is in order, please forward your letter confirming cancellation and/or termination to my attention at trent.colan@rlicorp.com, as well as Stephen Galjour of Palm Energy Offshore LLC's attention at ap@palmenergy.net, and if there are any questions please call me directly at 713-961-5732. RLI is happy to accept a scanned release letter.

Many thanks,

Trent Colan
Sr. Underwriter
RLI Insurance Company



DIFFERENT WORKS