



## 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 13509

DEC 14 2018

Century Exploration New Orleans, LLC  
1221 McKinney Street, Suite 2850  
Houston, TX 77010  
Attn: Anthony C. Marino

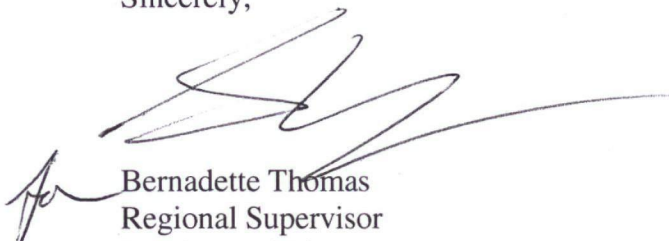
Dear Mr. Marino:

Your letter dated December 4, 2018, requesting cancellation of Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Supplemental Bond No. K09138572, in the amount of \$400,000, was received by our office on December 6, 2018. This bond, conditioned to cover ROW OCS-G 13509, was executed on March 2, 2015, with Century Exploration New Orleans, LLC as principal and Westchester Fire Insurance Company as surety.

Escrow account 1197001690 has been accepted and allocates \$400,000 to OCS-G 13509. Therefore, the Bureau of Ocean Energy Management has no objection to cancellation of Bond No. K09138572, which is considered cancelled without residual liability effective December 14, 2018, the date of final concurrence with the cancellation.

Should you need further assistance, please contact Kathleen Lee at (504) 736-5774 or [boemgomrfinancialassurance@boem.gov](mailto:boemgomrfinancialassurance@boem.gov).

Sincerely,



Bernadette Thomas  
Regional Supervisor  
Leasing and Plans

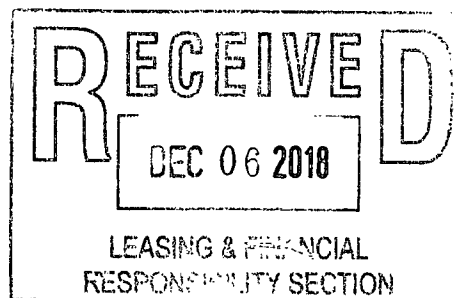
cc: Westchester Fire Insurance Company  
436 Walnut Street  
Philadelphia, PA 19106  
Attn: Mr. Dennis O'Donnell

Sent Via Email To: [amarino@smr-lawfirm.com](mailto:amarino@smr-lawfirm.com) , [dwillis@chubb.com](mailto:dwillis@chubb.com) ,  
[chris.durio@hancockwhitney.com](mailto:chris.durio@hancockwhitney.com) , [fcangelosi@ridgelake-energy.com](mailto:fcangelosi@ridgelake-energy.com)

**CENTURY EXPLORATION NEW ORLEANS, LLC**  
**1221 McKinney Street, Suite 2850**  
**Houston, Texas 77010**

December 4, 2018

Ms. Kathleen Lee  
Bureau of Ocean Energy Management  
Leasing & Financial Responsibility Unit  
1201 Elmwood Park Boulevard  
New Orleans, Louisiana 70123-2394



Re: Requesting Cancellation of Supplemental Bond currently on file for Right-of-Way OCS-G 13509, affecting Century Exploration New Orleans, LLC (GOM No. 2714)

Dear Ms. Lee:

Century Exploration New Orleans, LLC (“Century”) (GOM No. 2714), as principal requests cancellation of the following supplemental bond issued by Westchester Fire Insurance Company (“Westchester”), as surety, hereinafter described:

Outer Continental Shelf (OCS) Mineral Lessee’s or Operator’s Supplemental Bond by Westchester Fire Insurance Company, as Surety and Century Exploration New Orleans, LLC, as Principal, Bond No. K09138572 covering right-of-way OCS-G 13509, described as A 200-foot wide and approximately 8.70 miles (45,936 feet) long corridor associated with the 6-inch Pipeline Segment No. (PSN) 1948, in the amount of \$400,000, filed on March 3, 2015 (“Century Bond”);

Century is the current owner and holder of OCS-G 13509 (the “Right-of-Way”).

HGResources One, LLC (GOM No. 3446) (“HGResources”) is acquiring the Right-of-Way, amongst other Ship Shoal 150/154 assets (collectively, the “Ship Shoal 150/154 Assets”), pursuant to an asset purchase agreement with Century.

In connection with the transfer of the Ship Shoal 150/154 Assets and to facilitate the release and cancellation of the Century bonds, including the Century Bond, HGResources, Hancock Whitney Bank, and the United States of America, acting by and through the Bureau of Ocean Energy Management (“BOEM”), entered into a Decommissioning Escrow Agreement (“Escrow Agreement”) dated November 27, 2018.

Pursuant to the Escrow Agreement, HGResources deposited replacement security for the Ship Shoal 150/154 Assets in the agreed upon amount of \$15,935,970 into the escrow account (“Escrow Deposit”). Of that amount, \$400,000 is allocated to the Right-of-Way for plugging and abandonment liability purposes and to serve as replacement security for the Century Bond. The Escrow Deposit funds allocated to the Leases and Rights of Way comprising the Ship Shoal

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December 4, 2018  
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150/154 Assets cannot be used for any other lease, right of way, right of use and easement or any other matter.

We request that the above referenced Century Bond be fully released and canceled with no residual liability. Upon the receipt and confirmation of the Escrow Deposit and the signed Escrow Agreement, please mark "cancelled" on the Century Bond and send a letter to me acknowledging the cancellation and release of the Century Bond.

If you have any questions regarding the above, or need additional information, we have provided the following contact information for each of the parties:

For the Principal:

Century Exploration New Orleans, LLC  
Anthony C. Marino at (504)-585-7881 or by email at [amarino@smr-lawfirm.com](mailto:amarino@smr-lawfirm.com)

For the Surety:

Westchester Fire Insurance Company  
Douglas J. Wills, Esq. at (215)-640-1835 or by email at [dwills@chubb.com](mailto:dwills@chubb.com)  
436 Walnut Street, WA 10A,  
Philadelphia, Pennsylvania 19106

For the Escrow Agent:

Hancock Whitney Bank  
Christopher Durio at (504)-586-3662 or email at [chris.durio@hancockwhitney.com](mailto:chris.durio@hancockwhitney.com)  
228 St. Charles Ave., 2<sup>nd</sup> Floor  
New Orleans, Louisiana 70130

For HGResources One, LLC:

Frank J. Cangelosi, Jr at (504)-836-6364 or email at [fcangelosi@ridgelake-energy.com](mailto:fcangelosi@ridgelake-energy.com)  
3636 N. Causeway Blvd., Suite 300  
Metairie, Louisiana 70002

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Thank you in advance for your time,

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Anthony C. Marino', written over a horizontal line.

Anthony C. Marino  
Agent and Attorney-in-Fact