

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

RLB0015402

March 11, 2019

Deep Gulf Energy II, LLC 738 Highway 6 South, Suite 800 Houston, TX 77079 Attn: Thomas E. Young

Dear Mr. Young:

Your letter dated February 19, 2019, requesting termination of the period of liability of Outer Continental Shelf (OCS) Right-of-Way Grant Bond No. RLB0015402, in the amount of \$300,000, was received by our office on February 27, 2019. This bond, conditioned to cover principal's pipeline operations in the Gulf of Mexico, was executed on December 19, 2013, with Deep Gulf Energy II, LLC as principal and RLI Insurance Company as surety.

Deep Gulf Energy II, LLC has merged into Deep Gulf Energy III, LLC who has a pipeline areawide bond in the amount of \$300,000 that will cover liability for the GOM. Therefore, the Bureau of Ocean Energy Management has no objection to termination of Bond No. RLB0015402. The period of liability is considered to have terminated effective March 11, 2019, the date of final concurrence with the termination, except as to any liability which may have accrued prior to that date.

Notwithstanding the fact that the period of liability under the above-described bond has terminated, the bond cannot be cancelled until 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 obligations, whichever is the latest. When these requirements have been met you may submit a written cancellation request.

Please note that during the aforementioned period, to cover actual or potential outstanding obligations associated with the herein identified lease, you may provide acceptable security, pledged collateral or another corporate surety bond to the Bureau of Ocean Energy Management in lieu of the above-described surety.

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

Sincerely,

Bernadette Thomas Regional Supervisor Leasing and Plans

cc: RLI Insurance Company

8 Greenway Plaza, Suite 400

Houston, TX 77046 Attn: Trent Colan

Sent Via Email To: dholt@kosmosenergy.com, trent.colan@rlicorp.com



Deep Gulf Energy II, LLC A Kosmos Energy Company

February 19, 2019

Ms. Susan Vaughan Chief, Leasing & Financial Responsibility Section U.S. Department of the Interior 1201 Elmwood Park Boulevard New Orleans, Louisiana 70123

Re:

Request for Termination and Cancellation of Outer Continental Shelf (OCS) Right-of-Way Bond No. RLB0015402



Dear Ms. Vaughan:

Deep Gulf Energy II, LLC (02985) hereby submits for your review and consideration a request to terminate Outer Continental Shelf (OCS) Pipeline Right-of-Way Bond No. RLB0015402 in the amount of \$300,000.00.

Deep Gulf Energy II, LLC is the Principal of the referenced bond, with RLI Insurance Company as Surety and the Bureau of Ocean Energy Management as Beneficiary.

Please provide termination confirmation notifications to the following:

dholt@kosmosenergy.com trent.colan@rlicorp.com

Thank you for your consideration of this request. Please direct any questions to Debra Holt at (979) 533-4197.

Sincerely,

Deep Gulf Energy II, LLC

Thomas E/Young

Vice President, Land and Business

Development and Secretary