

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

SUR0036699

AUG 2 7 2019

Sabine Oil & Gas Corporation 1415 Louisiana, Suite 1600 Houston, TX 77002 Attn: Douglas Krenek

Dear Mr. Krenek:

Your letter dated August 15, 2019, requesting termination of the period of liability of Outer Continental Shelf (OCS) Pipeline Right-of-Way Grant Bond No. SUR0036699, in the amount of \$300,000, was received by our office on August 16, 2019. This bond, conditioned to cover principal's pipeline operations in the Gulf of Mexico, was executed on November 7, 2016, with Sabine Oil & Gas Corporation as principal and Argonaut Insurance Company as surety.

The Bureau of Ocean Energy Management has no objection to termination of Bond No. SUR0036699. The period of liability is considered to have terminated effective August 26, 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.

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

Sincerely,

Bernadette Thomas Regional Supervisor Leasing and Plans

cc: Argonaut Insurance Company 4200 E. Skelly Drive, Suite 300

Tulsa, OK 74135-3237 Attn: Joey D. Dilis

Sent Via Email To: dsumrall@sabineoil.com, dkelly@alliant.com



1415 Louisiana Street, Suite 1600, Houston, Texas 77002

Main: 832-242-9600 Fax: 832-242-9560

August 15. 2019

BY OVERNIGHT FEDEX DELIVERY

U.S. Department of the Interior Bureau of Ocean Energy Management Leasing & Financial Responsibility Section 1201 Elmwood Park Boulevard New Orleans, Louisiana 70123-2394 Attention: **Erin O'Reilly**

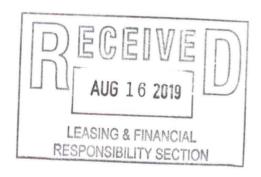
Re: Request for termination of period of liability and cancellation of Bond SUR0036699 for OCS Pipeline Area Wide Bond

Dear Ms O'Reilly:

Sabine Oil & Gas Corporation (No. 0048) previously submitted to the Bureau of Ocean Energy Management ("BOEM") a certain Outer Continental Shelf (OCS) Pipeline Area Wide Bond No. SUR0036699, effective February 14, 2017, issued by Argonaut Insurance Company, in the amount of \$300,000.00 covering OCS Rights of Way in the Gulf of Mexico Region (the "Sabine Bond"). Also issued and dated February 8, 2018 was that certain assumption of liability Rider No. 1.

Please be advised that the decommissioning liability associated with the (OCS) Pipeline Area Wide Bond now has a decommissioning liability of \$0.00. Accordingly, Sabine Oil & Gas Corporation respectfully requests that BOEM terminate the period of liability of the Bond and cancel the Bond. Please return the original bond to the following address:

Sabine Oil & Gas Corporation 1415 Louisiana Street, Suite 1600 Houston, Texas 77002 Attn: Dianne Sumrall



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If you have any questions regarding this request, please contact Dianne Sumrall at (832) 242-9635. Thank you for your assistance in this matter.

Sincerely, Sabine Oil & Gas Corporation

By:

Douglas Krenek

President, Chief Executive Officer

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enclosures

cc:

DeDee Kelly – Alliant Insurance