



## 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 11163

AUG 27 2019

Avocet LNG, LLC  
1100 Louisiana, Suite 3100  
Houston, TX 77002  
Attn: Bill Daughdrill

Dear Mr. Daughdrill:

Your letter dated August 16, 2019, requesting cancellation of Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Supplemental Bond No. **SUR0038076**, in the amount of \$352,432, was received by our office on August 19, 2019. This bond, conditioned to cover Right-of-Way OCS-G 11163, was executed on June 8, 2018, with Avocet LNG, LLC as principal and Argonaut Insurance Company as surety.

The Bureau of Safety and Environmental Enforcement has assessed the decommissioning liability for OCS-G 11163 to be \$0. Therefore, the Bureau of Ocean Energy Management has no objection to cancellation of Bond No. SUR0038076, which is considered cancelled without residual liability effective August 26, 2019, 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

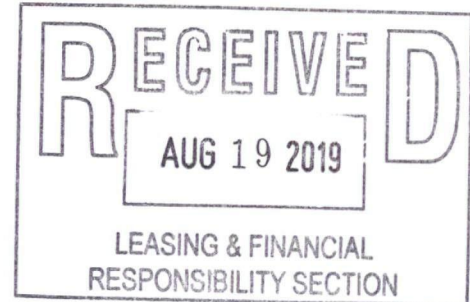
cc: Argonaut Insurance Company  
P.O. Box 469011  
San Antonio, TX 78246  
Attn: Michael Cole

Sent Via Email To: [w.daughdrill@delfinlng.com](mailto:w.daughdrill@delfinlng.com) , [mcole@higginbotham.net](mailto:mcole@higginbotham.net)

# Avocet LNG, LLC

1100 Louisiana Street, Suite 3100  
Houston, TX 77002  
United States of America

August 16, 2019



Ms. Erin O'Reilly  
Chief, Leasing and Financial Responsibility Section  
Mail Stop GM266A  
Bureau of Ocean Energy Management  
Gulf of Mexico OCS Region  
1201 Elmwood Park Blvd.  
New Orleans, LA 70123-2394

Reference: Avocet LNG, LLC (Gulf of Mexico Company Number 3530)  
Pipeline Right-of-Way OCS-G11163  
Request for Cancellation of Supplemental Bond SUR0038076 for \$352,432

Dear Ms. O'Reilly:

Avocet LNG, LLC (Avocet) requests that the Bureau of Ocean Energy Management (BOEM) cancel bond number SUR0038076 in the amount of \$352,432 covering the abandonment of pipeline Right-of-Way (ROW) OCS-G11163. A copy of this bond is attached for your information and summarized below:

Bond type: Supplemental  
Bond number: SUR0038076  
Bond amount: \$352,432  
Principal: Avocet LNG, LLC  
Surety: Argonaut Insurance Company  
Execution date: June 8, 2018  
Requested action: Cancellation

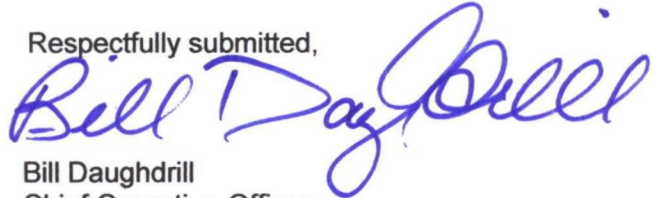
By way of background, please note that Avocet received authorization from the Bureau of Safety and Environmental Enforcement (BSEE) on May 22, 2019 to abandon Pipeline Segment Number (PSN) 13646 in place and relinquish pipeline ROW OCS-G11163. In late May and early June 2019, Avocet performed the approved decommissioning procedures on PSN 13646 and abandoned the pipeline in place. In a letter dated July 10, 2019, Avocet submitted our Abandonment/Decommissioning Completion Report to BSEE's Pipeline Section in New Orleans, Louisiana. Our Abandonment Completion Report was accepted by the BSEE Pipeline Section on August 13, 2019.

Since we have decommissioned PSN 13646 and relinquished pipeline ROW OCS-G11163, Avocet LNG, LLC respectfully requests that BOEM cancel Supplemental bond number SUR0038076 at your earliest convenience.

Bureau of Ocean Energy Management  
Chief, Leasing and Financial Responsibility Section  
August 16, 2019  
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All correspondence and inquiries concerning this request should be directed to the undersigned via e-mail at [w.daughdrill@delfinlng.com](mailto:w.daughdrill@delfinlng.com) or by telephone at (850) 933-1720.

Respectfully submitted,



Bill Daughdrill  
Chief Operating Officer  
Avocet LNG, LLC  
1100 Louisiana Street, Suite 3100  
Houston, TX 77002  
[w.daughdrill@delfinlng.com](mailto:w.daughdrill@delfinlng.com)

Enclosure: PDF Copy of Supplemental Bond SUR0038076 for OCS-G11163

Cc: Mr. Michael Cole, Attorney in Fact  
Argonaut Insurance Company  
11700 Katy Freeway, Suite 1100  
Houston, TX 77079  
[mcole@higginbotham.net](mailto:mcole@higginbotham.net)