

# 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 29188

SEP 0 6 2019

Peregrine Oil & Gas II, LLC 675 Bering Drive, Suite 620 Houston, TX 77057 Attn: Timothy A. Austin

Dear Mr. Austin:

Your letter dated September 5, 2019, submitting Increase Surety Rider, to be attached to and form a part of Outer Continental Shelf (OCS) Pipeline Right-of-Way Grant Bond No. EAIC401765, in the amount of \$70,380, was received by our office on August 29, 2019. This bond, conditioned to cover Right-of-Way OCS-G 29188, was executed on June 12, 2019, with Peregrine Oil & Gas II, LLC as principal and Endurance Assurance Corporation as surety.

The Increase Surety Rider was executed on August 22, 2019, and increases Bond No. EAIC401765 to a total penal sum of \$197,265. The rider is effective August 22, 2019, and has been attached to and now forms a part of the original bond.

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

Sincerely,

Susan Vaughan, Section Chief

Leasing and Financial Responsibility Section

Leasing and Plans

cc: Endurance Assurance Corporation

5847 San Felipe, Suite 2800

Houston, TX 77057

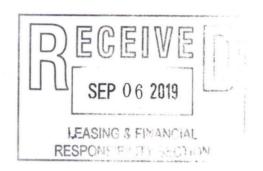
Attn: E. Patrick Hennesy III

Sent Via Email To: <u>TIM@PEREGRINEOILANDGAS.COM</u>, <u>Orlando.Aguirre@marsh.com</u>, acmarino@liskow.com



September 5, 2019

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



Re:

Filing of Outer Continental Shelf (OCS) Pipeline Right-of-Way Grant Bond

Surety Rider affecting OCS-G 29188

Dear Ms. Lee:

On March 23, 2018, Northstar Offshore Ventures LLC (3520) (now Sanare Energy Partners, LLC) submitted the following supplemental bond to the Bureau of Ocean Energy Management to cover the surety obligations on OCS-G 29188;

Outer Continental Shelf (OCS) Mineral Lessee's and Operator's Supplemental Bond by Indemnity National Insurance Company, as Surety and Northstar Offshore Ventures LLC, as Principal, Bond No. N-7000943 covering (ROW) OCS-G 29188, in the amount of \$138,000. On February 26, 2019, related to the name change from Northstar Offshore Ventures LLC to Sanare Energy Partners, LLC, there was filed a General Purpose Rider to change the Principal on the bond from Northstar Offshore Ventures LLC to Sanare Energy Partners, LLC, hereinafter referred to as the "Sanare Supplemental Pipeline Bond".

By letter to you dated June 13, 2019, Peregrine Oil & Gas II, LLC filed the following replacement bond in the amount of \$70,830 to cover 51% of the \$138,000 plugging and abandonment liability:

Outer Continental Shelf (OCS) Pipeline Right-of-Way Grant Bond dated June 12, 2019, by Endurance Assurance Corporation, as Surety and Peregrine Oil & Gas II, LLC (2967), as Principal, bearing Bond No. EAIC401765 in the amount of \$70,380 covering OCS-G 29188. This bond hereinafter referred to as the "Peregrine Replacement Bond"; and,

We additionally file the attached surety rider:

Outer Continental Shelf (OCS) Pipeline Right-of-Way Grant Bond Surety Rider dated August 22, 2019, by Endurance Assurance Corporation, as Surety and Peregrine Oil & Gas II, LLC (2967), as Principal, bearing Bond No. EAIC401765 increasing the amount of the bond to \$197,265 covering OCS-G 29188. This rider hereinafter referred to as the "Peregrine Rider"; and, Ms. Kathleen Lee Bureau of Ocean Energy Management September 5, 2019 Page 2

Of even date herewith, but under a separate cover letter, GOM Energy Venture I, LLC (3023) has also filed with you a complemental Outer Continental Shelf (OCS) Pipeline Right-of-Way Grant Bond Surety Rider in the amount of \$189,529, hereinafter referred to as the "GOM Energy Rider". When combined, both the Peregrine Rider (51% of \$386,794 or \$197,265) and the GOM Energy Rider (49% of \$386,794 or \$189,529) together total surety in the amount of \$386,794, being 100% of the BSEE assessed lease liabilities for OCS-G 29188.

Under separate cover letter, Sanare Energy Partners, LLC will request cancellation of the Sanare Supplemental Pipeline 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 - Peregrine Oil & Gas II, LLC Timothy A. Austin 675 Bering Drive, Suite 620 Houston, Texas 77057

Email: <u>Tim@PeregrineOilandGas.com</u> Phone Number: (713) 589-6807

For the Surety - Endurance Assurance Corporation Orlando Aguirre - Broker
Marsh Wortham, a division of Marsh USA Inc.
500 Dallas Street, Unit 1500
Houston, Texas 77002

Email: <u>Orlando.Aguirre@marsh.com</u> Phone Number: (713) 276-8138

If you have any questions regarding the above, or need additional information, please contact Anthony C. Marino at (504) 299-6114 or by email at <a href="mailto:acmarino@liskow.com">acmarino@liskow.com</a> or the undersigned.

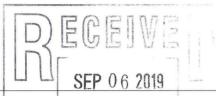
Very truly yours,

Peregrine Oil & Gas II, LLC (2967)

Timothy A. Austin

Vice President Business Development and Land

## SURETY RIDER



To be attached to and form a part of		age of the second secon
Bond No.	EAIC401765	LEASING & FRENCIAL
Type of Bond:	OUTER CONTINENTIAL SHELF (OCS) PIPELINE RIGHT-OF-WAY GRANT BOND	
dated effective	JUNE 12, 2019	
	MONTH-DAY-YEAR)	
executed by	PEREGRINE OIL & GAS II, LLC (PRINCIPAL)	, as Principal,
and by	ENDURANCE ASSURANCE CORPORATION	as Surety,
in favor of	US DEPARTMENT OF THE INTERIOR, BUREAU OF OCEAN ENERGY (OBLIGEE)	MANAGEMENT
in considera	tion of the mutual agreements herein contained the Principal and the Surety hereby of	consent to changing
BON	<u>D AMOUNT</u>	
FRO	VI	
SEVI	ENTY THOUSAND THREE HUNDRED EIGHTY00/100 (\$70,	,380.00) DOLLARS
то		
	HUNDRED NINETY SEVEN THOUSAND TWO HUNDRED SIXTY FIVE7,265.00) DOLLARS	NO/100
Nothing her This rider is effective	ein contained shall vary, alter or extend any provision or condition of this bond exce  AUGUST 22, 2019  (MONTH-DAY-YEAR)	ept as herein expressly stated.
Signed and	Sealed AUGUST 22, 2019 (MONTH-DAY-YEAR)	
	PEREGRINE OIL & GAS II, LLC	
By: _	(PRINCIPAL)  (PRINCIPAL)  (PRINCIPAL)  (PRINCIPAL)  (PRINCIPAL)  (SURETY)  (ATTORNEY-IN-FACT)  SANDRA PARKER	

Samuel Control

### ENDURANCE ASSURANCE CORPORATION

#### POWER OF ATTORNEY

Know all Men by these Present, that ENDURANCE ASSURANCE CORPORATION, a Delaware corporation (the "Corporation"), with offices at 4 Manhattanville Road, 3rd Floor, Purchase, NY 10577, has made, constituted and appointed and by these presents, does make, constitute and appoint Sandra Parker, Tannis Mattson its true and lawful Attorney(s)-in-fact, at HOUSTON in the State of TX and each of them to have full power to act without the other or others, to make, execute and deliver on its behalf, as surety or co-surely; bonds and undertakings given for any and all purposes, also to execute and deliver on its behalf as aforesaid renewals, extensions, agreements, waivers, consents or stipulations relating to such bonds or undertakings provided, however, that no single bond or undertaking so made, executed and delivered shall obligate the Corporation for any portion of the penal sum thereof in excess of the sum of TEN MILLION Dollars (\$10,000,000.00).

Such bonds and undertakings for said purposes, when duly executed by said attorney(s)-in-fact, shall be binding upon the Corporation as fully and to the same extent as if signed by the President of the Corporation under its corporate seal attested by its Corporate Secretary.

This appointment is made under and by authority of certain resolutions adopted by the Board of Directors of the Corporation by unanimous written consent on the 9th of January, 2014, a copy of which appears below under the heading entitled "Certificate

This Power of Attorney is signed and sealed by facsimile under and by authority of the following resolution adopted by the Board of Directors of the Corporation by unanimous written consent on January 9, 2014 and said resolution has not since been revoked, amended or repealed.

RESOLVED, that in granting powers of attorney pursuant to certain resolutions adopted by the Board of Directors of the Corporation by unanimous written consent on January 9, 2014, the signature of such directors and officers and the seal of the Corporation may be affixed to any such power of attorney or earlificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signature or seal shall be valid and binding upon the Corporation in the future with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, the Corporation has caused these presents to be duly signed and its corporate seal to be hereunto affixed and attested this 10th day of MAY of 2019 at Purchase, New York.

(Corporate Seal)

ATTEST

ENDURANCE ASSURANCE CORPORATION

SHARON L. SIMS, SENIOR VICE PRESIDENT

MARIANNE I WILBERT SENIOR VICE PRESIDENT

STATE OF NEW YORK COUNTY OF NEW YORK ss: MANHATTAN

On the 10th day of MAY of 2019 before me personally came SHARON L. SIMS, SENIOR VICE PRESIDENT to me known, who being by me duly sworn, did depose and say that (s)he resides in SCOTCH PLAINS, NEW JERSEY that (s)he is a SENIOR VICE PRESIDENT of ENDURANCE ASSURANCE CORPORATION, the Corporation described in and which executed the above instrument, that (s)he knows the seal of said Corporation; that the seal affixed to said instrument is such corporate seal, that it was so affixed by order of the Board of Directors of said Corporation, and that (s)he signed his (her) name thereto by like order.

(Notarial Seal) 63333611 QUALIFIED IN

Nicholas James Benenati, Notary Public - My Commission Expires 12/6/2019

STATE OF NEW YORK

COUNTY OF NEW YORK

ss: MANHATTAN

CERTIFICATE

1, CHRISTOPHER DONELAN the PRESIDENT of ENDURANCE ASSURANCE CORPORATION, a Delaware Corporation (the "Corporation"), hereby certify

- 1. That the original power of attorney of which the foregoing is a copy was duly executed on behalf of the Corporation and has not since been revoked, amended or modified; that the undersigned has compared the foregoing copy thereof with the original power of attorney, and that the same is a true and correct copy of the original power of attorney and of the whole thereof:
- 2. The following are resolutions which were adopted by the Board of Directors of the Corporation by unanimous written consent on January 9, 2014 and said resolutions have not since been revoked, amended or modified:

"RESOLVED, that each of the individuals named below is authorized to make, execute, seal and deliver for and on behalf of the Corporation any and all bonds, undertakings or obligations in surety or co-surety with others:

CHRISTOPHER DONELAN, SHARON L, SIMS, MARIANNE L, WILBERT

And be it further

RESOLVED, that each of the individuals named above is authorized to appoint attorneys-in-fact for the purpose of making, executing, sealing and delivering bonds, undertakings or obligations in surety or co-surety for and on behalf of the Corporation."

3. The undersigned further certifies that the above resolutions are true and correct copies of the resolutions as so recorded and of the whole thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal that are day of the resolutions. (Corporate Seal)

CHRISTOPHER DONELAN, PRESIDENT

Any reproductions are void Primary Surety Claims Submission, suretybondclaims@sompo-intl.com Surety Claims Hotline: 877-676-7575 Mailing Address: Surety Claims Department, Sompo International, 1221 Avenue of the Americas, 18th Floor, New York, NY 10020

