



# 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  
SUR0054541

NOV 08 2019

Juneau Oil & Gas, LLC  
3700 Buffalo Speedway, Suite 925  
Houston, TX 77098  
Attn: Les Clark

Dear Mr. Clark:

Your letter dated October 30, 2019, submitting replacement Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Bond No. SUR0054541, in the amount of \$300,000, was received by our office on October 31, 2019. This bond, conditioned to cover principal's leasehold interest held now or hereafter in the Gulf of Mexico, was executed on October 28, 2019, with Juneau Oil & Gas, LLC as principal and Argonaut Insurance Company as surety.

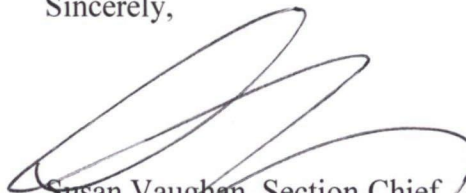
This bond replaces the following Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Bonds, in the amount of \$50,000, with Juneau Oil & Gas, LLC as principal, and Argonaut Insurance Company as surety.

- Bond No. SUR0054529, conditioned to cover Lease OCS-G 36744, all of Block 219, Eugene Island Area, was executed on October 17, 2019.
- Bond No. SUR0053638, conditioned to cover Lease OCS-G 36510, all of Block 59, Ship Shoal Area, was executed on June 24, 2019.
- Bond No. SUR0053633, conditioned to cover Lease OCS-G 36516, all of Block 8, South Pelto Area, was executed on May 21, 2019.

The replacement bond, Bond No. SUR0054541, conforms to the requirements of the leasing and operating regulations for submerged lands of the Outer Continental Shelf and is considered to be effective October 28, 2019, the date it was executed. The period of liability of Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Bond Nos. SUR0054529, SUR0053638 and SUR0053633 are considered to have terminated and the bonds are considered cancelled without residual liability on the same date.

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

Sincerely,



Susan Vaughan, Section Chief  
Leasing and Financial Responsibility Section  
Leasing and Plans

cc: Argonaut Insurance Company  
P.O. Box 469011  
San Antonio, TX 78246  
Attn: Teresa D. Kelly

Sent Via Email To: [lclark@juneauexploration.com](mailto:lclark@juneauexploration.com) , [lgaines@juneauexploration.com](mailto:lgaines@juneauexploration.com) ,  
[dkelly@alliant.com](mailto:dkelly@alliant.com) , [pablo.gomez@argosurety.com](mailto:pablo.gomez@argosurety.com)

---

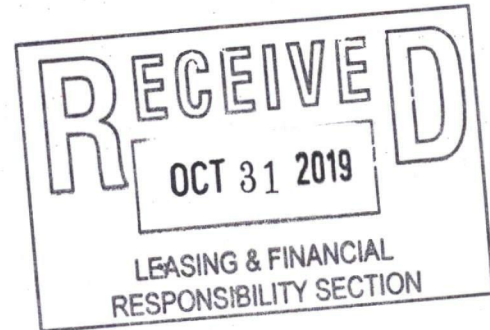
# JUNEAU OIL & GAS, LLC

---

October 30, 2019

**By Federal Express**

Bureau of Ocean Energy Management  
Leasing and Financial Responsibility Section  
Office of Leasing and Plans  
1201 Elmwood Park Boulevard  
New Orleans, Louisiana 70123  
Attn: Ms. Kathleen Lee



**Re: \$300,000 Areawide Bond No. SUR0054541**

Ladies and Gentlemen:

Enclosed is an original of the referenced Outer Continental Shelf (OCS) Mineral Lessee's Bond. This Bond is being submitted as the financial assurance for the following leases recently awarded to Juneau Oil & Gas, LLC ("Juneau"), and as a replacement for previously awarded and bonded leases as requested in that letter dated October 28, 2019 from Ms. Dedee Kelly of Alliant Insurance Services (copy enclosed):

**Recently Awarded Leases:**

|             |  |
|-------------|--|
| OCS-G 36755 | Grand Isle Area Block 45                     |
| OCS-G 36746 | Eugene Island Area, South Addition Block 284 |
| OCS-G 36747 | Eugene Island Area, South Addition Block 286 |
| OCS-G 36748 | Eugene Island Area, South Addition Block 287 |
| OCS-G 36749 | Eugene Island Area, South Addition Block 323 |
| OCS-G 36750 | Eugene Island Area, South Addition Block 326 |
| OCS-G 36751 | Eugene Island Area, South Addition Block 352 |
| OCS-G 36752 | Eugene Island Area, South Addition Block 355 |

**Previously Awarded/Bonded Leases:**

|             |                              |
|-------------|------------------------------|
| OCS-G 36516 | South Pelto Area Block 8     |
| OCS-G 36510 | Ship Shoal Area Block 59     |
| OCS-G 36744 | Eugene Island Area Block 219 |

Transmittal - Bond No. SUR0054541  
October 30, 2019

We ask that you please accept the enclosed Bond as the financial assurance for all of the above referenced leases, and release Argonaut Insurance Co bond numbers SUR0053633, SUR0053638, and SUR0054529 which were issued as on the previously awarded leases.

Thank you for your consideration and please call (713.906.6507) or email ([lclark@juneauexploration.com](mailto:lclark@juneauexploration.com)) if you have any questions or need anything else at all.

Sincerely yours,

**Juneau Oil & Gas, LLC**



Les Clark  
Vice President – Land

Enclosures



Dedee Kelly  
First Vice President-Surety  
Direct: (832) 485-4077  
Email: [dkelly@alliant.com](mailto:dkelly@alliant.com)

Alliant Insurance Services, Inc.  
5444 Westheimer  
Suite 900  
Houston, TX 77056

O 832 485 4000  
CA License No. 0C36861

[www.alliant.com](http://www.alliant.com)

October 28, 2019

**BY FEDEX**

Ms. Kathleen Lee, Program Analyst  
Leasing and Financial Responsibility Section  
Office of Leasing and Plans  
Bureau of Ocean Energy Management  
Gulf of Mexico OCS Region  
1201 Elmwood Park Blvd  
New Orleans, LA 70123-2394

Re: **Juneau Oil & Gas, LLC**  
**\$300,000 Areawide Bond**  
**Bond No. SUR0054541 (Replacing SUR0053633, SUR0053638, SUR0054529)**

Dear Kathleen:

We are pleased to enclose the original of the above captioned bond issued as a replacement of the following Argonaut Insurance Co. bonds all in the amount of \$50,000 with principal of Juneau Oil & Gas, LLC:

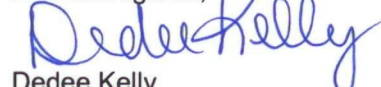
| Bond No.   | Dated      | Description                                      |
|------------|------------|--|
| SUR0053633 | 5/21/2019  | OCS-G36516, All of Block 8, South Pelto          |
| SUR0053638 | 6/24/2019  | OCS-G36510, All of Block 59, Ship Shoal Area     |
| SUR0054529 | 10/17/2019 | OCS-G36744, All of Block 219, Eugene Island Area |

We ask that you please accept the enclosed bond and **release Argonaut Insurance Co Bond Nos. SUR0053633, SUR0053638, SUR0054529 as of October 28, 2019** by issuing a letter of release and return along with the original bond directly to the surety, principal or to me as follows:

|   |  |   |
|---|--|---|
| Ms. Leah Gaines<br>Vice President and CFO<br>Juneau Exploration LP<br>3700 Buffalo Speedway<br>Suite 925<br>Houston, TX 77098<br><a href="mailto:lgaines@juneauexploration.com">lgaines@juneauexploration.com</a> | Dedee Kelly, Attorney-in-Fact for<br>Argonaut Insurance Co.<br>Alliant Insurance Services, Inc.<br>5444 Westheimer #900<br>Houston, TX 77056<br>T: (832) 485-4077<br>E: <a href="mailto:dkelly@alliant.com">dkelly@alliant.com</a> | Pablo Gomez<br>Argonaut Insurance Company<br>13100 Wortham Center Drive<br>Suite 290<br>Houston, TX 77065<br>T: (281) 640-7918<br>E: <a href="mailto:Pablo.gomez@argosurety.com">Pablo.gomez@argosurety.com</a> |
|---|--|---|

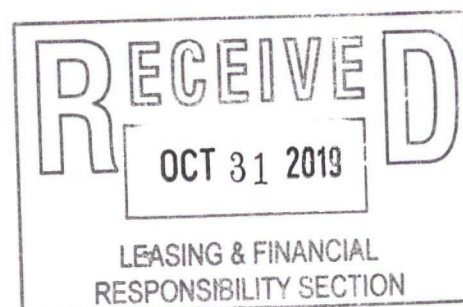
We trust that you will find the enclosed to be in complete order. However, should you have any questions or require additional information please do not hesitate to contact me directly.

Kindest regards,



Dedee Kelly  
First Vice President - Surety

cc: Ms. Leah Gaines – Juneau Exploration LP

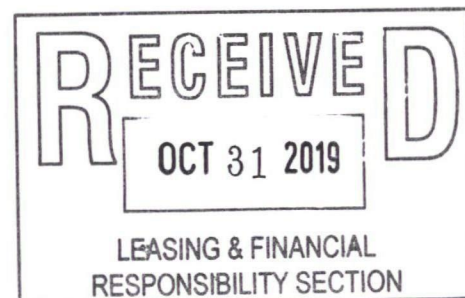


Cover Page  
**OUTER CONTINENTAL SHELF (OCS)  
MINERAL LESSEE'S OR OPERATOR'S BOND**

**Form BOEM-2028**

**This form dated June 2016 supersedes all previous versions of form BOEM-2028**

**Paperwork Reduction Act of 1995 (PRA) Statement:** The PRA (44 U.S.C. 3501 *et seq.*) requires us to inform you that BOEM collects this information to hold the surety liable for the obligations and liability of the Principal (lessee or operator). Responses are mandatory. No proprietary information is collected. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number. Public reporting burden for this form is estimated to average 15 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Comments regarding the burden estimate or any other aspect of this form should be directed to the Information Collection Clearance Officer, Bureau of Ocean Energy Management, 45600 Woodland Road, Sterling, VA 20166.





# U.S. DEPARTMENT OF THE INTERIOR

## Bureau of Ocean Energy Management

Bond No. SUR0054541

Lease No. Gulf of Mexico

Bond Type Areawide

Amount \$ 300,000.00

### OUTER CONTINENTAL SHELF (OCS) MINERAL LESSEE'S OR OPERATOR'S BOND

The **Surety** is the entity Guaranteeing Performance.

Name of Surety: Argonaut Insurance Company

Mailing Address: P.O. Box 469011

San Antonio, TX 78246

If a Corporation, Incorporated in the State of: Illinois; County or Parish of: Cook

☒ Check here if Surety is certified by U.S. Treasury as an acceptable surety on Federal Bonds and listed in the current U.S. Treasury Circular No. 570.

The **Principal** is the Lessee or Designated Operator for Whom the Bond is Issued.

Name of Principal: Juneau Oil & Gas, LLC

Mailing Address: 3700 Buffalo Speedway, Suite 925

Houston, TX 77098

Schedule A, the region or leases covered by this bond, is composed of: (Check one and add legal description)

☒ The following region: Gulf of Mexico

☐ The following lease(s):

☐ Check here if additional lease information is continued on attached sheet.

In addition to the Obligations of the Principal during the period of liability of this bond, the Surety also accepts the following Obligations: (Check one)

☐ No Obligations other than the Obligations of the Principal during the period of liability of this bond.

☒ All Obligations of all previous Sureties or guarantors even if the Obligations are not Obligations of the Principal during the period of liability of this bond.

☐ All Obligations of all previous Sureties or guarantors even if the Obligations are not Obligations of the Principal during the period of liability of this bond with the following exceptions or limitations (use an attached rider).

#### Definitions

For the purposes of this document:

A **Principal** includes an entity holding an interest in the oil & gas lease in one or more of the following ways: (1) as an approved record title owner of all or a portion of the lease, (2) as an approved operating rights owner of all or a portion of the lease, or (3) as a designated operator or designated agent in all or a portion of the lease.

A **Lessee** includes an approved record title owner of all or a portion of the lease or an approved operating rights owner of all or a portion of the lease.

An **Obligation** includes any obligation arising from any regulations of the Department of the Interior or any Instrument issued, maintained, or approved under the OCS Lands Act (43 U.S.C. 1331 *et seq.*).

An **Instrument** includes individually or collectively any lease, operating agreement, designation of operator or agent, storage agreement, compensatory royalty agreement, transfer of operating rights, permit, license, or easement, whereunder the Principal has the right, privilege, or license to conduct operations on the OCS.

A **Person** includes an individual, a public or private entity, a State, a political subdivision of a State, any association of individuals, corporations, States, or subdivisions of States, or a government agency.

**By signing below, the Principal verifies that the information above is correct and agrees to the following:**

Unless as otherwise indicated on Schedule A, the Principal will fulfill all Obligations for the entire leasehold and to the same extent as though the Principal were the sole lessee for all leases in Schedule A or for all leases for which the Principal has an interest within a region designated in Schedule A.

**By signing below, the Surety verifies that the information above is correct and agrees to the following:**

1. The Surety does hereby absolutely and unconditionally bind itself to the United States of America acting through and by the Bureau of Ocean Energy Management (BOEM), or such other official designated by the Secretary of the Interior for this purpose, for the performance of all present and future Obligations.
2. The Surety will be responsible for all Obligations of the Principal in existence at the time this document becomes effective and all Obligations that accrue after that date and until all Obligations are met or until the Regional Director terminates the period of liability of this bond.
3. If the Regional Director terminates the period of liability of this bond, the Surety will remain responsible for Obligations that accrued during the period of liability until the Regional Director issues a written cancellation of the bond in favor of the Surety.
4. If this bond is cancelled, the Regional Director may reinstate this bond as if no cancellation had occurred if any payment of any obligations of the Principal(s) is rescinded or must be restored pursuant to any insolvency, bankruptcy, reorganization, or receivership, or should the representation of the Principal that it has paid its financial Obligations or performed the other

**BOEM-2028 (June 2016)**

Previous Editions are Obsolete.

PAGE 2 OF 3

LEASING & FINANCIAL  
RESPONSIBILITY SECTION

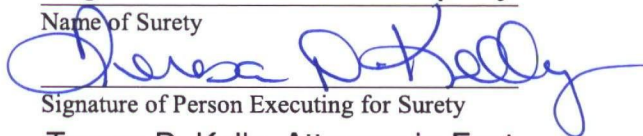


Obligations of the lease in accordance with BOEM specifications be materially false and BOEM relied upon such representation in canceling the instrument.

5. The Surety waives any right of notice of this bond taking effect and agrees that this bond will take effect upon delivery to BOEM.
6. The Surety's Obligations will remain in full force and effect, even if:
  - (a) Any person assigns all or part of any interest in an Instrument covered by this document.
  - (b) Any person modifies an Instrument or Obligation under an Instrument in any manner including modifications that result from a commitment to a unit, cooperative, communitization, or storage agreement; suspension of operations or production; suspension or changes in rental, minimum royalty, or royalties; modification of regulations or interpretations of regulations; creation or modification of compensatory royalty agreements or payments; or creation of any mortgage, pledge, or other grant of security interest in the Instruments.
  - (c) Any person, event, or condition terminates any Instrument covered by this bond, whether the termination is by operation of law or otherwise.
  - (d) BOEM takes or fails to take any action in enforcing, as against any party to the Instrument, the payment of rentals or royalties or the performance of any other covenant, condition or agreement of the lease, or giving notice of or making demand with respect to such nonperformance.
  - (e) The Surety suffers any loss by reason of any law limiting, qualifying, or discharging the Principal's Obligation.
7. The Surety agrees to be bound under this bond as to the interests in any Instrument retained by the Principal when BOEM approves the transfer of any or all of the Instruments or interests in the Instruments.
8. In the event of any default under a lease, the Surety must provide payment of all of the cost of the Obligations of the Principal upon demand by BOEM.
9. If BOEM decides to commence suit to enforce its rights, it may commence and prosecute any claim, suit, action, or other proceeding against the Principal and Surety, or either of them, whether or not BOEM joins the lessees or any other party.
10. In the event there is more than one Surety for the Principal's performance of the Obligations, as to any Instrument, the Surety's Obligation and liability under this bond is on a "solidary" or "joint and several" basis along with other guarantors or sureties.
11. The Surety agrees to give prompt notice to BOEM and the Principal of any action filed alleging the insolvency or bankruptcy of the Surety or the Principal, or alleging any violation that would result in suspension or revocation of the Surety's charter or license to do business.
12. The Surety's Obligation and liabilities under this Bond are binding upon the Surety's successors and assigns. Nothing in this document permits assignment of the Surety's Obligation without the written consent of BOEM.
13. The Surety hereby waives any defenses to liability on this bond based on an unauthorized Principal signature.

### Argonaut Insurance Company

Name of Surety



Signature of Person Executing for Surety

**Teresa D. Kelly, Attorney-in-Fact**

Name and Title (typed or printed)

**P.O. Box 469011**

Business Address

**San Antonio, TX 78246**

Business Address

### Juneau Oil & Gas, LLC

Name of Principal



Signature of Person Executing for Principal

**Leah Gaines, CFO/Treasurer and Secretary**

Name and Title (typed or printed)

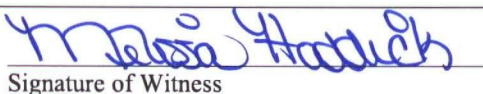
**3700 Buffalo Speedway, Suite 925**

Business Address

**Houston, TX 77098**

Business Address

Signed on this 28th day of October, 2019, in the State of Texas, in the presence of:



Signature of Witness

**Melissa Haddick**

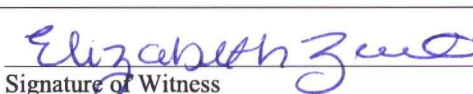
Name (typed or printed)

**5444 Westheimer #900**

Address

**Houston, TX 77056**

Address



Signature of Witness

**Elizabeth Zamora**

Name (typed or printed)

**3700 Buffalo Speedway, Suite 925**

Address

**Houston, TX 77098**

Address

**Note:** The person executing for the Surety must attach a corporate resolution and power of attorney stating his or her authority to undertake this Obligation, pursuant to the acts of the corporate board of directors and the laws of the State of incorporation. The corporation executing this bond as Surety and the Principal, if a corporation, must affix their corporate seals.



**Argonaut Insurance Company**  
**Deliveries Only: 225 W. Washington, 24th Floor**  
**Chicago, IL 60606**

**United States Postal Service: P.O. Box 469011, San Antonio, TX 78246**

**POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the Argonaut Insurance Company, a Corporation duly organized and existing under the laws of the State of Illinois and having its principal office in the County of Cook, Illinois does hereby nominate, constitute and appoint:

Dan W. Burton, Teresa D. Kelly, Craig C. Payne, Laura L. Kneitz, Melissa Haddick, Megan Sivley

Their true and lawful agent(s) and attorney(s)-in-fact, each in their separate capacity if more than one is named above, to make, execute, seal and deliver for and on its behalf as surety, and as its act and deed any and all bonds, contracts, agreements of indemnity and other undertakings in suretyship provided, however, that the penal sum of any one such instrument executed hereunder shall not exceed the sum of:

\$85,000,000.00

This Power of Attorney is granted and is signed and sealed under and by the authority of the following Resolution adopted by the Board of Directors of Argonaut Insurance Company:

"RESOLVED, That the President, Senior Vice President, Vice President, Assistant Vice President, Secretary, Treasurer and each of them hereby is authorized to execute powers of attorney, and such authority can be executed by use of facsimile signature, which may be attested or acknowledged by any officer or attorney, of the Company, qualifying the attorney or attorneys named in the given power of attorney, to execute in behalf of, and acknowledge as the act and deed of the Argonaut Insurance Company, all bond undertakings and contracts of suretyship, and to affix the corporate seal thereto."

IN WITNESS WHEREOF, Argonaut Insurance Company has caused its official seal to be hereunto affixed and these presents to be signed by its duly authorized officer on the 8th day of May, 2017.



Argonaut Insurance Company

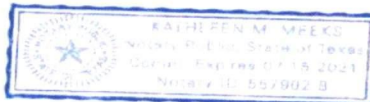
by: \_\_\_\_\_

Joshua C. Betz, Senior Vice President

STATE OF TEXAS  
COUNTY OF HARRIS SS:

On this 8th day of May, 2017 A.D., before me, a Notary Public of the State of Texas, in and for the County of Harris, duly commissioned and qualified, came THE ABOVE OFFICER OF THE COMPANY, to me personally known to be the individual and officer described in, and who executed the preceding instrument, and he acknowledged the execution of same, and being by me duly sworn, deposed and said that he is the officer of the said Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and the said Corporate Seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority and direction of the said corporation, and that Resolution adopted by the Board of Directors of said Company, referred to in the preceding instrument is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed my Official Seal at the County of Harris, the day and year first above written.



Kathleen M. Meeks  
(Notary Public)

I, the undersigned Officer of the Argonaut Insurance Company, Illinois Corporation, do hereby certify that the original POWER OF ATTORNEY of which the foregoing is a full, true and correct copy is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand, and affixed the Seal of said Company, on the 28th day of October 2019



James Bluzard  
James Bluzard, Vice President-Surety