



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 21261

DEC 04 2019

M21K, LLC
1021 Main (One City Centre), Suite 2626
Houston, TX 77002
Attn: Craig Sanders

Dear Mr. Sanders:

Your letter dated November 5, 2019, submitting your Decrease Bond Rider, to be attached to and form a part of Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Supplemental Bond No. 1046866, in the amount of \$1,500,000, was received by our office on November 6, 2019. This bond, conditioned to cover Right-of-Way OCS-G 21261, was executed on December 6, 2018, with M21K, LLC as principal and The Hanover Insurance Company as surety.

The Decrease Bond Rider was executed on November 5, 2019, and decreases Bond No. 1046866 by \$1,500, for a total penal sum of \$1,498,500. The rider is effective November 1, 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,

Bernadette Thomas
Regional Supervisor
Leasing and Plans

cc: The Hanover Insurance Company
440 Lincoln Street
Worcester, MA 01653
Attn: Richard Covington

Sent Via Email To: craig.sanders@coxoil.com , akoletar@mcgriff.com



1021 Main (One City Centre)
Suite 2626
Houston, Texas 77002
Tel 713-351-3000 Fax 713-351-3300

November 5, 2019

U.S. Department of the Interior
Bureau of Ocean Energy Management
1201 Elmwood Park Boulevard
New Orleans, Louisiana 70123-2394

Re: Bond Reduction Request
M21K, LLC
Bond Number: 1046866
Bond Amount: \$1,500,000
Description: OCS-G 21261

Dear Ms. Kathleen Lee:

We hereby request the Bureau of Ocean Energy Management ("BOEM") accept the attached reduction rider of The Hanover Insurance Company bond number 1046866 to the new amount of \$1,498,500.

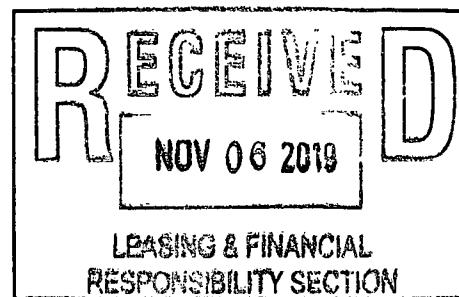
Thank you for your consideration, and if you have any questions, please feel free to contact me at craig.sanders@coxoil.com

Sincerely,

A handwritten signature in black ink, appearing to read 'Craig Sanders', written over the printed name and title.

Craig Sanders
CEO

Cc: Ashley Koletar – akoletar@mcgriff.com



RIDER

Attaching to and forming part of Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Supplemental Bond, Bond No. **1046866**, executed December 6, 2018, on behalf of **M21K, LLC**, as Principal, and **The Hanover Insurance Company**, as Surety, in favor of the United States Department of Interior, acting through and by the Bureau of Ocean Energy Management (BOEM), as Obligee, in the amount of **One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00)**.

Lease No.: ROW OCS-G 21261

Segment Number 12265: A pipeline right-of-way two hundred feet (200') in width and 3.96 miles in length, for the operation and maintenance of a 12 3/4 inch pipeline to transport gas and condensate from Platform B in Block A-368, through High Island Block A-369, to a 24 inch subsea tie-in in High Island Block A-370.

Date of Execution: **November 1, 2019**

Effective Date of Change: **November 1, 2019**

In consideration of the mutual agreement contained herein, the Principal and the Surety hereby consent to the following changes:

The **penalty amount has decreased** from:

One Million Five Hundred Thousand and 00/100 Dollars Dollars (\$1,500,000.00)

To:

One Million Four Hundred Ninety Eight Thousand Five Hundred and 00/100 Dollars (\$1,498,500.00)

All other conditions and terms to remain as originally written.

Signed, sealed and dated this **5th** day of **November, 2019**.

M21K, LLC

Principal

1021 Main, Suite 2626
Houston, TX 77002

By: _____

Name: Craig Sanders

Title: CEO

The Hanover Insurance Company

Surety

440 Lincoln Street
Worcester, MA 01653

By: _____

Name: Richard Covington

Title: Attorney-In-Fact

THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

POWER OF ATTORNEY

THIS Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

KNOW ALL PERSONS BY THESE PRESENTS:

That THE HANOVER INSURANCE COMPANY and MASSACHUSETTS BAY INSURANCE COMPANY, both being corporations organized and existing under the laws of the State of New Hampshire, and CITIZENS INSURANCE COMPANY OF AMERICA, a corporation organized and existing under the laws of the State of Michigan, (hereinafter individually and collectively the "Company") does hereby constitute and appoint,

Marc W. Boots, Vickie Lacy, Joseph R. Aubert, Maria D. Zuniga, Richard Covington, Ashley Koletar and/or Ryan Varela

Of McGriff, Seibels & Williams of TX, Inc. of Houston, Texas each individually, if there be more than one named, as its true and lawful attorney(s)-in-fact to sign, execute, seal, acknowledge and deliver for, and on its behalf, and as its act and deed any place within the United States, any and all surety bonds, recognizances, undertakings, or other surety obligations. The execution of such surety bonds, recognizances, undertakings or surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the president and attested by the secretary of the Company, in their own proper persons. Provided however, that this power of attorney limits the acts of those named herein; and they have no authority to bind the Company except in the manner stated and to the extent of any limitation stated below:

Any such obligations in the United States, not to exceed Twenty Five Million and No/100 (\$25,000,000) in any single instance

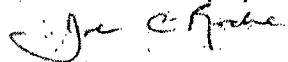
That this power is made and executed pursuant to the authority of the following Resolutions passed by the Board of Directors of said Company, and said Resolutions remain in full force and effect:

RESOLVED: That the President or any Vice President, in conjunction with any Vice President, be and they hereby are authorized and empowered to appoint Attorneys-in-fact of the Company, in its name and as it acts, to execute and acknowledge for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, waivers of citation and all other writings obligatory in the nature thereof, with power to attach thereto the seal of the Company. Any such writings so executed by such Attorneys-in-fact shall be binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company in their own proper persons.

RESOLVED: That any and all Powers of Attorney and Certified Copies of such Powers of Attorney and certification in respect thereto, granted and executed by the President or Vice President in conjunction with any Vice President of the Company, shall be binding on the Company to the same extent as if all signatures therein were manually affixed, even though one or more of any such signatures thereon may be facsimile. (Adopted October 7, 1981 - The Hanover Insurance Company; Adopted April 14, 1982 - Massachusetts Bay Insurance Company; Adopted September 7, 2001 - Citizens Insurance Company of America)

IN WITNESS WHEREOF, THE HANOVER INSURANCE COMPANY, MASSACHUSETTS BAY INSURANCE COMPANY and CITIZENS INSURANCE COMPANY OF AMERICA have caused these presents to be sealed with their respective corporate seals, duly attested by two Vice Presidents, this 5th day of June, 2018.

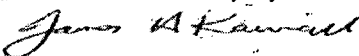
The Hanover Insurance Company
Massachusetts Bay Insurance Company
Citizens Insurance Company of America



John C. Roche, EVP and President



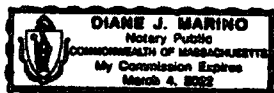
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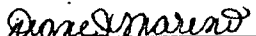


James H. Kawiecki, Vice President

THE COMMONWEALTH OF MASSACHUSETTS)
COUNTY OF WORCESTER) ss.

On this 5th day of June, 2018 before me came the above named Vice Presidents of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, to me personally known to be the individuals and officers described herein, and acknowledged that the seals affixed to the preceding instrument are the corporate seals of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, respectively, and that the said corporate seals and their signatures as officers were duly affixed and subscribed to said instrument by the authority and direction of said Corporations.




Diane J. Marino, Notary Public
My Commission Expires March 4, 2022

I, the undersigned Vice President of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, hereby certify that the above and foregoing is a full, true and correct copy of the Original Power of Attorney issued by said Companies, and do hereby further certify that the said Powers of Attorney are still in force and effect.

GIVEN under my hand and the seals of said Companies, at Worcester, Massachusetts, this 5th day of November, 2019:

CERTIFIED COPY


Theodore G. Martinez, Vice President