



# United States Department of the Interior

## BUREAU OF OCEAN ENERGY MANAGEMENT

New Orleans Office  
1201 Elmwood Park Boulevard  
New Orleans, LA 70123-2394

In Reply Refer To: MS GM 266A  
OCS-G 7588

July 9, 2020

Chandeleur Pipe Line, LLC  
P.O. Box 1227  
Houston, TX 77251  
Attn: Stephen Ciupak

Dear Mr. Ciupak:

Your letter dated July 8, 2020, submitting Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Supplemental Bond No. B012198, in the amount of \$695,000, was received by our office on that same date. This bond, conditioned to cover Right-of-Way OCS-G 7588, was executed on August 22, 2019, with Chandeleur Pipe Line, LLC as principal and U.S. Specialty Insurance Company as surety.

The bond conforms to the requirements of the leasing and operating regulations for the submerged lands of the Outer Continental Shelf. It is effective as of the date filed, July 8, 2020.

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

Sincerely,

**SUSAN  
VAUGHAN**

Digitally signed by  
SUSAN VAUGHAN

Date: 2020.07.09  
09:39:48 -05'00'

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

cc: U.S. Specialty Insurance Company  
13404 Northwest Freeway  
Houston, TX 77040  
Attn: Michele K. Tyson

Sent Via Email To: [suzy@suzyyoungerreg.com](mailto:suzy@suzyyoungerreg.com), [trivera@3CMidstream.com](mailto:trivera@3CMidstream.com),  
[mtyson@indemco.com](mailto:mtyson@indemco.com)

Submitted via: [boemGOMRfinancialassurance@boem.gov](mailto:boemGOMRfinancialassurance@boem.gov)

July 8, 2020

Bureau of Ocean Energy Management  
Gulf of Mexico Region  
Office of Leasing and Plans  
121 Elmwood Park Boulevard  
New Orleans, Louisiana 70123-2394

Attn: Ms. Susan Vaughan  
Chief – Leasing and Financial Responsibility

Re: Chandeleur Pipe Line, LLC – Company No. 0209  
Right-of-Way Supplemental Bond

Dear Ms. Thomas:

Chandeleur Pipe Line, LLC (Company No. 0209) herein submits the following Right-of-Way Supplemental Bond:

- Bond No. B012198 for ROW OCS-G 07588 in the amount of \$695,000.00

Should you have questions or require additional information, please contact Suzy Younger at 713-208-5588 or [suzy@suzyyoungerreg.com](mailto:suzy@suzyyoungerreg.com), or Todd Rivera at 346-241-3663 or [trivera@3CMidstream.com](mailto:trivera@3CMidstream.com).

Sincerely,

Chandeleur Pipe Line, LLC



Stephen Ciupak  
Vice President-Finance

SC:TR:SY



[EXTERNAL] FW: Chandeaur Pipe Line ROW Supplemental Bond ROW OCS-G 07588

1



GOMRfinancialassurance, BOEM

Received as of 7/8/2020. ----- Bureau of Ocean Energy Management New Orleans Of...

Wed 7/8/2020 1:25 PM



Suzy Younger <suzy@suzyyoungerreg.com>

Wed 7/8/2020 1:18 PM

To: GOMRfinancialassurance, BOEM

Cc: trivera@3cmidstream.com



Chandeaur Pipeline ROW-G ...

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

**Form BOEM-2028A**

**This form dated January 2020 supersedes all previous versions of form BOEM-2028A**

All Bond Forms must be submitted with a transmittal letter to the appropriate BOEM office:

Bureau of Ocean Energy Management  
Gulf of Mexico OCS Office  
1201 Elmwood Park Blvd. New Orleans LA 70123-2394  
Leasing and Financial Responsibility - Mail Stop GM266A

Bureau of Ocean Energy Management  
Alaska OCS Office  
3801 Centerpoint Drive, Suite 500  
Anchorage AK 99503-5820 Alaska Leasing Section

Bureau of Ocean Energy Management  
Pacific OCS Office  
760 Paseo Camarillo, Suite 102  
Camarillo CA 93010  
Lease Management

**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. B012198

OCS Lease/RUE/ROW No. OCS-G 7588

Bond Type Supplemental ROW

Amount \$ 695,000.00

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

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

Name of Surety: U.S. Specialty Insurance Company

Mailing Address: 13403 Northwest Freeway

Houston, Texas 77040

If a Corporation, Incorporated in the State of: Texas; County or Parish of: Harris

☒ 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: Chandeleur Pipe Line, LLC

Mailing Address: 1501 McKinney St., Ste. 800, Houston, Texas 77010

Schedule A, the lease/RUE/ROW covered by this bond, is composed of: (add legal description)

☒ Check here if additional information is on attached sheet.

The following lease/RUE/ROW: Pipeline Right-of-way (ROW) OCS-G 7588 - See Attached Description

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:**

The Principal as agent on behalf of all lessees, operating rights owners, and operators will fulfill all Obligations for the entire leasehold and to the same extent as though the Principal were the sole lessee for the lease/RUE/ROW 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 payment of all of the cost of the plugging and abandonment 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 Obligation 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



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.

**U.S. Specialty Insurance Company**

Name of Surety

*Michele K. Tyson*

Signature of Person Executing for Surety

Michele K. Tyson, Attorney-in-Fact

Name and Title (typed or printed)

13403 Northwest Freeway

Business Address

Houston, Texas 77040

Business Address

**Chandeleur Pipe Line, LLC**

Name of Principal

*Stephen Ciupak*

Signature of Person Executing for Principal

Stephen Ciupak, Vice President - Finance

Name and Title (typed or printed)

1501 McKinney St., Ste. 800

Business Address

Houston, Texas 77010

Business Address

Signed on this 22nd day of August, 2019, in the State of Texas, in the presence of:

*Senia Hernandez*

Signature of Witness

Senia Hernandez

Name (typed or printed)

777 Post Oak Blvd., Ste. 330

Address

Houston, Texas 77056

Address

*Todd Rivera*

Signature of Witness

Todd Rivera

Name (typed or printed)

1501 McKinney St., Ste. 800

Address

Houston, Texas 77010

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.

**BOEM-2028A (January 2020)**

Previous Editions are Obsolete.

Bond No. B012198

OCS-G 07588  
ROW Description

Pipeline Right-of-way (ROW) OCS-G 7588 is a 200-foot wide and 11.21 miles (59,891ft) long corridor associated with the 12-inch Pipeline Segment Number (PSN) 7560. The purpose of pipeline ROW OCS-G 7588 is to maintain and operate PSN 7560 and to transport gas from a subsea tie-in with Pipeline Segment No. 3474 in Block 902, at X= 1,127,104.62 and Y= 10,928,607.82, through Blocks 903, 904, and 860, to a subsea tie-in with Pipeline Segment No. 9379 in Block 861, at X= 1,182,359.29 and Y= 10,933,638.60, all located in Mobile Area.





TOKIO MARINE  
HCC

# POWER OF ATTORNEY

AMERICAN CONTRACTORS INDEMNITY COMPANY TEXAS BONDING COMPANY  
UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

KNOW ALL MEN BY THESE PRESENTS: That American Contractors Indemnity Company, a California corporation, Texas Bonding Company, an assumed name of American Contractors Indemnity Company, United States Surety Company, a Maryland corporation and U.S. Specialty Insurance Company, a Texas corporation (collectively, the "Companies"), do by these presents make, constitute and appoint:

Edwin H. Frank, III, Michele K. Tyson, W. Russell Brown, Jr., Meredith K. Anderson,  
Stephen Michael Smith or Timothy J. Briggs of Houston, Texas

its true and lawful Attorney(s)-in-fact, each in their separate capacity if more than one is named above, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed \*\*\*\*\*Three Million\*\*\*\*\* Dollars ( \$3,000,000.00 ). This Power of Attorney shall expire without further action on April 23<sup>rd</sup>, 2022. This Power of Attorney is granted under and by authority of the following resolutions adopted by the Boards of Directors of the Companies:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings, including any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts, and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, The Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 1<sup>st</sup> day of June, 2018.

AMERICAN CONTRACTORS INDEMNITY COMPANY TEXAS BONDING COMPANY  
UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

State of California

County of Los Angeles



By:

Daniel P. Aguilar, Vice President

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

On this 1<sup>st</sup> day of June, 2018, before me, Sonia O. Carrejo, a notary public, personally appeared Daniel P. Aguilar, Vice President of American Contractors Indemnity Company, Texas Bonding Company, United States Surety Company and U.S. Specialty Insurance Company who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

*[Signature]*

(seal)



I, Kio Lo, Assistant Secretary of American Contractors Indemnity Company, Texas Bonding Company, United States Surety Company and U.S. Specialty Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Companies, which is still in full force and effect; furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seals of said Companies at Los Angeles, California this 22<sup>nd</sup> day of August, 2019.

Corporate Seals  
Bond No.

3012198

Agency No. 8353



Kio Lo, Assistant Secretary

HCCSMANPOA05/2019

visit [tmhcc.com/surety](http://tmhcc.com/surety) for more information