



# 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 30392

July 9, 2021

The University of Texas at Austin  
2275 Speedway, Suite 1.130  
E.P. Schoch Building-C9000  
Austin, TX 78712  
Attn: Dr. Alison Preston

Dear Dr. Preston:

Your letter submitting Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Bond No. ROG0001973, in the amount of \$200,000, was received by our office on July 8, 2021. This bond, conditioned to cover Right-of-Use and Easement OCS-G 30392, was executed on July 2, 2021, with The University of Texas at Austin as principal and RLI 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, 2021.

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: 2021.07.09

11:19:15 -05'00'

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

cc: RLI Insurance Company  
9025 N. Lindbergh Drive  
Peoria, IL 61615

Sent Via Email To: [preston@austin.utexas.edu](mailto:preston@austin.utexas.edu) , [PFlemings@jsg.utexas.edu](mailto:PFlemings@jsg.utexas.edu) ,  
[Alexander@anco.com](mailto:Alexander@anco.com)



**THE UNIVERSITY OF TEXAS AT AUSTIN**  
Office of the Vice President for Research

P.O. Box 7996 • FAC 426, G1400 • Austin, TX 78713-7996 • 512-471-2877 • FAX 512-471-2827

Bureau of Ocean Energy Management  
Leasing and Financial Responsibility  
1201 Elmwood Park Boulevard  
New Orleans, Louisiana 70123-2394  
[boemgomrfinancialassurance@boem.gov](mailto:boemgomrfinancialassurance@boem.gov)

**RECEIVED**

**July 8, 2021**

*Leasing & Financial  
Responsibility Section*

**RE: New bond submission (RUE OCS-G30392)**

Dear Sir or Madam,

The University of Texas at Austin (Operator No. 3487) requests review and acceptance of this RUE-specific bond for drilling four deep stratigraphic test wells in Walker Ridge, Block 313 (OCS-G30392). This bond is submitted under 30CFR Part 556, Subpart I, and accompanies an Initial Exploration Plan submitted by the University of Texas at Austin to BOEM Plans Section on April 16, 2021.

**Bond Type:** RUE-Specific (OCS-G30392)

**Bond No.:** ROG0001973

**Amount:** \$200,000.00 USD

**Execution Date:** July 2, 2021

**Principal:** The University of Texas at Austin  
2275 Speedway, Suite 1.130  
E.P. Schoch Building – C9000  
Austin, TX, 78712


**Surety:** RLI Insurance Company  
9025 N. Lindbergh Dr.  
Peoria, IL 61615

Please contact Peter Flemings or Sid Alexander should you have any questions during the review.

**Principal:** Dr. Peter Flemings, Principle Investigator  
The University of Texas at Austin  
512-475-8738 / [PFlemings@jsg.utexas.edu](mailto:PFlemings@jsg.utexas.edu)

**Broker:** Sid Alexander, Sr. Vice President  
ANCO Insurance  
979-774-6287 / [Alexander@anco.com](mailto:Alexander@anco.com)

Sincerely,

  
Dr. Alison Preston  
Interim Vice President for Research  
The University of Texas at Austin  
2304 Whitis Ave., Suite 426  
Peter T. Flawn Academic Ctr  
Austin, TX 78712-1111  
Phone: (512) 471-2877 / email: [preston@austin.utexas.edu](mailto:preston@austin.utexas.edu)

Cover Page  
**OUTER CONTINENTAL SHELF (OCS)  
MINERAL LESSEE'S OR OPERATOR'S BOND**  
**Form BOEM-2028**

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

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

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**July 8, 2021**

**Leasing & Financial  
Responsibility Section**

**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. ROG0001973

Lease No. OCS-G30392

Bond Type RUE Specific

Amount \$ 200,000.00

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

The Surety is the entity Guaranteeing Performance.

Name of Surety: RLI Insurance Company

Mailing Address: 9025 N. Lindbergh Drive  
Peoria, IL 61615

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

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: The University of Texas at Austin

Mailing Address: 2275 Speedway, Suite 1.130 (E.P. Schoch Building - C9000)  
Austin, TX 78712

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

The following region: \_\_\_\_\_

The following lease(s): Right-of-Use and Easement OCS-G30392

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



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.

**RLI Insurance Company**

**The University of Texas at Austin**

Name of Surety

Name of Principal

Signature of Person Executing for Surety

Signature of Person Executing for Principal

Michelle Madl, Attorney-in-Fact

Dr. Alison Preston, Interim Vice President for Research

Name and Title (typed or printed)

Name and Title (typed or printed)

9025 N Lindbergh Dr  
Business Address

2304 Whitis Ave. Suite 426  
Peter T. Flawn Academic Ctr

Peoria, IL 61615

Business Address

Austin, TX 78712-111

Business Address

Business Address

Signed on this 2nd day of July, 2021, in the State of Illinois, in the presence of:

Signature of Witness

Signature of Witness

Gretchen Johnigk

Linda Shaunessy

Name (typed or printed)

Name (typed or printed)

9025 N Lindbergh Dr

1616 Guadalupe, Suite 3.304

Address

Address

Peoria, IL 61615

Austin, TX 78701

Address

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.



# POWER OF ATTORNEY

## RLI Insurance Company

9025 N. Lindbergh Dr. Peoria, IL 61615  
Phone: 800-645-2402

Bond No. ROG0001973

### Know All Men by These Presents:

That this Power of Attorney is not valid or in effect unless attached to the bond which it authorizes executed, but may be detached by the approving officer if desired.

That the RLI Insurance Company, a corporation organized and existing under the laws of the State of Illinois, and authorized and licensed to do business in all states and the District of Columbia does hereby make, constitute and appoint: Michelle Madl in the City of Peoria, State of Illinois, as it's true and lawful Agent and Attorney in Fact, with full power and authority hereby conferred upon him/her to sign, execute, acknowledge and deliver for and on its behalf as Surety, for the following described bond.

**Principal:** The University of Texas-Austin  
**Obligee:** Bureau of Ocean Energy Management (BOEM)  
**Bond Amount:** \$ 200,000.00  
**Effective Date:** July 2, 2021

The acknowledgement and execution of such bond by the said Attorney in Fact shall be as binding upon the Company as if such bond had been executed and acknowledged by the regularly elected officers of the Company.

The RLI Insurance Company further certifies that the following is a true and exact copy of a Resolution adopted by the Board of Directors of RLI Insurance Company, and now in force to-wit:

"All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

IN WITNESS WHEREOF, the RLI Insurance Company has caused these presents to be executed by its Vice President with its corporate seal affixed this 2nd day of July, 2021.



**RLI Insurance Company**  
By: Barton W. Davis Vice President

State of Illinois }  
County of Peoria } SS

### CERTIFICATE

On this 2nd day of July, 2021, before me, a Notary Public, personally appeared Barton W. Davis, who being by me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of the RLI Insurance Company and acknowledged said instrument to be the voluntary act and deed of said corporation.

I, the undersigned officer of RLI Insurance Company do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable; and furthermore, that the Resolution of the Company as set forth in the Power of Attorney, is now in force. In testimony whereof, I have hereunto set my hand and the seal of the RLI Insurance Company this 2nd day of July, 2021.

By: Catherine D. Glover  
Catherine D. Glover Notary Public

**RLI Insurance Company**  
By: Jeffrey D. Fick Corporate Secretary



**Schedule "A"**

**RUE-Specific Bond No. ROG0001973**

**RUE No: OCS-G30392**

**The University of Texas at Austin (Operator No. 3487)**

Right-of-Use and Easement: OCS-G30392.

Wells: WR313 H002, WR313 G002, WR313 F001, WR313 F002.

Protraction Area: Walker Ridge, Block 313.

OCS Official Protraction Diagram: NG 15-06.

***RECEIVED***

**July 8, 2021**

***Leasing & Financial  
Responsibility Section***