



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
612410066

July 23, 2021

Cantium, LLC
111 Park Place, Suite 100
Covington, LA 70433
Attn: Kenneth H. Beer

Dear Mr. Beer:

Your letter dated July 21, 2021, submitting replacement Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Bond No. 612410066, in the amount of \$3,000,000, was received by our office on that same date. This bond, conditioned to principal's leasehold interest held now or hereafter in the Gulf of Mexico, was executed on June 13, 2021, with Cantium, LLC as principal and United States Fire Insurance Company as surety.

This bond replaces Outer Continental Shelf (OCS Mineral Lessee's or Operator's Bond No. SU46449, in the amount of \$3,000,000. This bond, conditioned cover principal's leasehold interest held now or hereafter in the Gulf of Mexico, was executed on June 13, 2017, with Cantium, LLC as principal, and Aspen American Insurance Company as surety.

The replacement bond, Bond No. 612410066, conforms to the requirements of the leasing and operating regulations for submerged lands of the Outer Continental Shelf and is considered to be effective June 13, 2021, the date it was executed. The period of liability of Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Supplemental Bond No. SU46449 is considered to have terminated and the bond is 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.

Sincerely,

SUSAN

VAUGHAN

Digitally signed by
SUSAN VAUGHAN

Date: 2021.07.23
08:46:54 -05'00'

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

cc: United States Fire Insurance Company
305 Madison Avenue
Morristown, NJ 07960

Aspen American Insurance Company
175 Capital Boulevard, Suite 300
Rocky Hill, CT 06067

Sent Via Email To: ken.beer@cantium.us , akoletar@McGriff.com ,
SuretyInquiries@amyntagroup.com



21 July 2021

RECEIVED

July 21, 2021

*Leasing & Financial
Responsibility Section*

Bureau of Ocean Energy Management
New Orleans Office
1201 Elmwood Park Blvd.
New Orleans, LA 70123-2394
Leasing and Financial Responsibility – Mail Stop GM 266A

Re: *Cantium, LLC*

Bond No. *SU46449*

OCS Mineral Lessee's or Operator's Area Wide Lease Bond - Gulf of Mexico, \$3,000,000.00, 6/13/2017

To Whom It May Concern:

Enclosed is new *OCS Mineral Lessee's or Operator's Area Wide Lease Bond - Gulf of Mexico* bond no. 612410066 in the amount of *\$3,000,000.00*. This bond is replacing Aspen American Insurance Company (AAIC) bond no. *SU46449* effective 06/13/2021.

We are requesting that the BOEM cancel the AAIC bond no. *SU46449* and accept the USFIC replacement bond in its place effective 06/13/2021.

If you have any questions or require additional information, please contact:

Principal: Kenneth H. Beer, Cantium, LLC – ken.beer@cantium.us

Broker: Ashley Koletar, McGriff Insurance Services, Inc. - akoletar@McGriff.com

Surety: Amynta Surety Solutions at SuretyInquiries@amyntagroup.com

Thank you in advance for your assistance.

Sincerely,
Cantium, LLC

Kenneth H. Beer
Chief Financial Officer

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

RECEIVED

July 21, 2021

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

*Leasing & Financial
Responsibility 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. 612410066

Lease No. Gulf of Mexico

Bond Type Areawide

Amount \$ 3,000,000.00

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

The Surety is the entity Guaranteeing Performance.

Name of Surety: United States Fire Insurance Company

Mailing Address: 305 Madison Avenue
Morristown, NJ 07960

If a Corporation, Incorporated in the State of: Delaware; County or Parish of: Morris

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: Cantium, LLC

Mailing Address: 111 Park Place Drive, Suite 100
Covington, LA 70433

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:

- 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.
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.
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.
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.

United States Fire Insurance Company

Name of Surety

Signature of Person Executing for Surety

Richard Covington, Attorney-In-Fact

Name and Title (typed or printed)

305 Madison Avenue

Business Address

Morristown, NJ 07960

Business Address

Cantium, LLC

Name of Principal

Signature of Person Executing for Principal

Kenneth H. Beer, Chief Financial Officer

Name and Title (typed or printed)

111 Park Place Drive, Suite 100

Business Address

Covington, LA 70433

Business Address

Signed on this 13th day of June, 2021, in the State of Texas, in the presence of:

Signature of Witness

Melanie Hill

Name (typed or printed)

10100 Katy Freeway, Suite 400

Address

Houston, TX 77043

Address

Signature of Witness

Louise M. Smith

Name (typed or printed)

111 Park Place Drive, Suite 100

Address

Covington, LA 70433

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
UNITED STATES FIRE INSURANCE COMPANY
PRINCIPAL OFFICE - MORRISTOWN, NEW JERSEY**

KNOW ALL MEN BY THESE PRESENTS: That United States Fire Insurance Company, a corporation duly organized and existing under the laws of the state of Delaware, has made, constituted and appointed, and does hereby make, constitute and appoint: **Joseph R. Aulbert; Marc W. Boots; Maria D. Zuniga; Vickie Lacy; Ashley Koletar; Ryan Varela; and Richard Covington** each, its true and lawful Attorney(s)-In-Fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver: Any and all bonds and undertakings of surety and other documents that the ordinary course of surety business may require, and to bind United States Fire Insurance Company thereby as fully and to the same extent as if such bonds or undertakings had been duly executed and acknowledged by the regularly elected officers of United States Fire Insurance Company at its principal office, in amounts or penalties not exceeding: **One Hundred Twenty Five Million Eight Hundred Thousand Dollars (\$125,800,000)**

This Power of Attorney limits the act of those named therein to the bonds and undertakings specifically named therein, and they have no authority to bind United States Fire Insurance Company except in the manner and to the extent therein stated.

This Power of Attorney revokes all previous Powers of Attorney issued on behalf of the Attorneys-In-Fact named above and expires on January 1, 2023.

This Power of Attorney is granted pursuant to Article IV of the By-Laws of United States Fire Insurance Company as now in full force and effect, and consistent with Article III thereof, which Articles provide, in pertinent part:

Article IV, Execution of Instruments - Except as the Board of Directors may authorize by resolution, the Chairman of the Board, President, any Vice-President, any Assistant Vice President, the Secretary, or any Assistant Secretary shall have power on behalf of the Corporation:

- (a) to execute, affix the corporate seal manually or by facsimile to, acknowledge, verify and deliver any contracts, obligations, instruments and documents whatsoever in connection with its business including, without limiting the foregoing, any bonds, guarantees, undertakings, recognizances, powers of attorney or revocations of any powers of attorney, stipulations, policies of insurance, deeds, leases, mortgages, releases, satisfactions and agency agreements;
- (b) to appoint, in writing, one or more persons for any or all of the purposes mentioned in the preceding paragraph (a), including affixing the seal of the Corporation.

Article III, Officers, Section 3.11, Facsimile Signatures. The signature of any officer authorized by the Corporation to sign any bonds, guarantees, undertakings, recognizances, stipulations, powers of attorney or revocations of any powers of attorney and policies of insurance issued by the Corporation may be printed, facsimile, lithographed or otherwise produced. In addition, if and as authorized by the Board of Directors, dividend warrants or checks, or other numerous instruments similar to one another in form, may be signed by the facsimile signature or signatures, lithographed or otherwise produced, of such officer or officers of the Corporation as from time to time may be authorized to sign such instruments on behalf of the Corporation. The Corporation may continue to use for the purposes herein stated the facsimile signature of any person or persons who shall have been such officer or officers of the Corporation, notwithstanding the fact that he may have ceased to be such at the time when such instruments shall be issued.

IN WITNESS WHEREOF, United States Fire Insurance Company has caused these presents to be signed and attested by its appropriate officer and its corporate seal hereunto affixed this 11th day of March, 2021.

UNITED STATES FIRE INSURANCE COMPANY



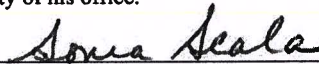
Anthony R. Slimowicz, Executive Vice President



State of New Jersey }
County of Morris }

On this 11th day of March 2021, before me, a Notary public of the State of New Jersey, came the above named officer of United States Fire Insurance Company, to me personally known to be the individual and officer described herein, and acknowledged that he executed the foregoing instrument and affixed the seal of United States Fire Insurance Company thereto by the authority of his office.

**SONIA SCALA
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES 3/25/2024
No. 2163686**



Sonia Scala, (Notary Public)

I, the undersigned officer of United States Fire Insurance Company, a Delaware corporation, do hereby certify that the original Power of Attorney of which the foregoing is a full, true and correct copy is still in force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of United States Fire Insurance Company on the 13th day of June, 2021

UNITED STATES FIRE INSURANCE COMPANY



Daniel Sussman, Senior Vice President



*For verification of the authenticity of the Power of Attorney, please contact Pat Taber at 860-956-3424 or email: SuretyInquiries@amynitagroup.com