



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 7533

December 6, 2021

Talos Energy Offshore LLC
333 Clay Street, Suite 3300
Houston, TX 77002
Attn: Patricia Rodriguez

Dear Ms. Rodriguez:

Your letter dated November 30, 2021, submitting replacement Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Supplemental Bond No. N-8100027, in the amount of \$495,000, was received by our office on December 1, 2021. This bond, conditioned to cover Right-of-Way OCS-G 7533, was executed on August 4, 2021, with Talos Energy Offshore LLC as principal and Indemnity National Insurance Company as surety.

This bond replaces Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Supplemental Bond No. 1036609, in the amount of \$495,000. This bond, conditioned to cover Right-of-Way OCS-G 7533, was executed on August 28, 2015, with Talos Energy Offshore LLC as principal, and The Hanover Insurance Company as surety.

The replacement bond, Bond No. N-8100027, conforms to the requirements of the leasing and operating regulations for submerged lands of the Outer Continental Shelf and is considered to be effective August 4, 2021, the date it was executed. The period of liability of Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Supplemental Bond No. 1036609 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: 2021.12.06
14:49:36 -06'00'

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

cc: Indemnity National Insurance Company
238 Bedford Way
Franklin, TN 37064

The Hanover Insurance Company
440 Lincoln Street
Worcester, MA 01653

Sent Via Email To: Patricia.Rodriguez@TalosEnergy.com , akoletar@mcgriff.com



November 30, 2021

via email transmission (boemGOMRfinancialassurance@boem.gov)

Bureau of Ocean Energy Management
Attn: Leasing & Financial Responsibility Section
1201 Elmwood Park Blvd., Mail Stop GM 266A
New Orleans, Louisiana 70123-2394

RECEIVED

December 1, 2021

*Leasing & Financial
Responsibility Section*

**Re: Request for Acceptance of Replacement Bond N-8100027 and
Request for Cancellation of Bond 1036609 for
ROW OCS-G 07533; Ship Shoal 69**

Dear Sir or Madam:

Talos Energy Offshore LLC hereby requests that BOEM accepts the following described "Replacement Bond" (full copy attached), effective as of the date reflected in the Bond and provides cancellation of the following "Current Bond" (full copy attached), effective as of the date reflected in the Replacement Bond which is August 4, 2021. The surety company being the only change.

Replacement Bond:

Principal	Surety	Bond No.	Bond Amount	Bond Type
Talos Energy Offshore LLC	Indemnity National Insurance Company	N-8100027	\$495,000	ROW Supplemental

Current Bond:

Principal	Surety	Bond No.	Bond Amount	Bond Type
Talos Energy Offshore LLC	The Hanover Insurance Company	1036609	\$495,000	ROW Supplemental

As this request is accepted and processed, please email the acceptance and release letter associated with the referenced bonds to my attention at the email addresses below.

Patricia Rodriguez, Talos Energy: Patricia.Rodriguez@TalosEnergy.com
Ashley Koletar, McGriff (Broker): akoletar@mcgriff.com

Thank you for your consideration in this regard. Should you have any questions, please contact the undersigned at (713) 380-4951 or at the above-stated email address.

Sincerely,


Patricia Rodriguez


OUTER CONTINENTAL SHELF (OCS) PIPELINE RIGHT-OF-WAY GRANT BOND (Continued)

4. If the Regional Director terminates the period of liability of this bond or additional security*, 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 or additional security* in favor of the Surety.
5. If this bond or additional security* is cancelled, the Regional Director may reinstate this bond or additional security* 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 pipeline ROW grant(s) in accordance with BOEM specifications be materially false and the BOEM relied upon such representation in canceling the instrument.
6. The Surety waives any right of notice of this bond or other security* taking effect and agrees that this bond or additional security* will take effect upon delivery to BOEM.
7. The Surety's Obligations will remain in full force and effect, even if:
 - (a) Any person assigns the 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 modification of regulations or interpretations of regulations; 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 or additional security*, whether the termination is by operation of law or otherwise.
 - (d) The BOEM takes or fails to take any action in enforcing, as against any party to the Instrument, the performance of any other covenant, condition or agreement of the pipeline ROW grant, 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.
8. The Surety agrees to be bound under this bond or additional security* as to the interests in any Instrument retained by the Principal when the BOEM approves the transfer of any or all of the Instruments.
9. In the event of any default under a pipeline ROW grant, the Surety must perform the Obligations of the Principal upon demand by the BOEM.
10. If the 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 the BOEM joins the pipeline ROW grant holder or any other party.
11. 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 or additional security* is on a "solidary" or "joint and several" basis along with other guarantors or sureties.
12. The Surety agrees to give prompt notice to the 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.
13. The Surety's Obligation and liabilities under this Bond or additional security* 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 the BOEM.
14. The Surety hereby waives any defenses to liability on this bond or additional security* based on an unauthorized Principal signature.


*** Must be approved by the Regional Director**

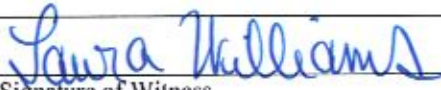
OUTER CONTINENTAL SHELF (OCS) PIPELINE RIGHT-OF-WAY GRANT BOND (Continued)

Indemnity National Insurance Company
Name of Surety

Signature of Person Executing for Surety
Richard Covington, Attorney-In-Fact
Name and title typed or printed
238 Bedford Way
Business Address
Franklin, TN 37064
Business Address

Talos Energy Offshore LLC
Name of Principal

Signature of Person Executing for Principal
Sergio L. Maiworm, Jr., Vice President of
Finance, Investor Relations and Treasurer
Name and title typed or printed
333 Clay Street
Suite 3300
Business Address
Houston, TX 77002
Business Address

Signed on this 4th day of August, 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 77045
Address


Signature of Witness
Laura Williams
Name typed or printed
333 Clay Street, Suite #3300
Address
Houston, TX 77002
Address

Note: The party signing 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 pipeline right-of-way grant holder, if a corporation, must affix their corporate seals.

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 (pipeline right-of-way holder). Responses are required to obtain or retain a benefit. Proprietary data are covered under 30 CFR 550.197. 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 (in the Alaska and Pacific Regions, this could take longer), 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.

Schedule A to Bond No. N-8100027

Pipeline Right-of-way (ROW) OCS-G07533 is a 200-foot wide and approximately 13.28 miles (70,096 feet) long corridor associated with the 8-5/8-inch Pipeline Segment No. 7261. The purpose of pipeline ROW OCS-G07533 is to maintain and operate PSN 7261 and to transport oil from Platform A in Block 69 and through Block 68, all in Ship Shoal Area, and through Blocks 10, 9, and 8 to a 10-inch subsea tie-in in Block 13, all in South Pelto Area.

Indemnity National Insurance Company

By: 

Richard Covington, Attorney-in-Fact

August 4, 2021

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS: that Indemnity National Insurance Company, a Mississippi corporation, (hereinafter the "Company"), does hereby constitute and appoint: *****Joseph R. Aulbert; Marc W. Boots; Richard Covington; Ashley Koletar; Vickie Lacy; Ryan Varela; Maria D. Zuniga***** of McGriff Insurance Services, Inc.***** to be its true and lawful Attorney-in-Fact, with full power and authority hereby conferred to sign, seal, and execute on its behalf surety bonds or undertakings and other documents of a similar nature issued in the course of its business up to a penal sum not to exceed Seven million five hundred thousand dollars (\$7,500,000.00)***** each, and to bind the Company thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Company.

This appointment is made under and executed pursuant to and by authority of the following Minutes of Special Actions Taken by Written Consent of the Board of Directors, which is now in full force and effect:

Authorization to Appoint Attorneys-in-Fact and the Use of Facsimile Signatures and Facsimile Seals for the Purpose of Issuing Bonds:

RESOLVED: That the president or any vice president may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the Company to execute and deliver and affix the seal of the Company to bonds and related obligatory certificates and documents; and any one of said officers may remove any such attorney-in-fact or agent and revoke any power previously granted to such person, whether or not such officer appointed the attorney-in-fact or agent.

RESOLVED: That any bonds and related obligatory certificates and documents shall be valid and binding upon the Company,
(i) when signed by the president, or any vice president, and sealed with the Company seal; or
(ii) when duly executed and sealed with the Company seal by one or more attorneys-in-fact or agents pursuant to and within the limits of authority evidenced by the power of attorney issued by the Company to such person or persons a certified copy of which power of attorney must be attached thereto in order for such obligation to be binding upon the Company.

RESOLVED: That the signature of any authorized officer and the seal of the Company may be affixed to any power of attorney or certification thereof authorizing the execution and delivery of any bonds and related obligatory certificates and documents of the Company and such signature and seal then so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of Indemnity National Insurance Company has been affixed thereto in Lexington, Kentucky this 6th day of November, 2017.



Indemnity National Insurance Company

By Thomas F. Elkins
Thomas F. Elkins, President



State of Kentucky
County of Fayette

On this 6th day of November, 2017, before me, a Notary Public, personally came Thomas F. Elkins, to me known, and acknowledged that he is President of Indemnity National Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of Indemnity National Insurance Company thereto with the authority and at the direction of said corporation.



By Deborah A. Murphy
Notary Public

My Commission Expires 09/26/2021

CERTIFICATE

I, James E. Hart, Secretary of Indemnity National Insurance Company, do hereby certify that the foregoing Power of Attorney is still in full force and effect, and further certify that the Minutes of Special Actions Taken by Written Consent of the Board of Directors are now in full force and effect.

IN TESTIMONY WHEREOF I have subscribed my name and affixed the seal of said Company. Dated this 4th day of August, 2021.



By James E. Hart
James E. Hart, Secretary