



# 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: Bond No. 6543124

May 8, 2024

SM Energy Company  
777 N. Eldridge Parkway, Suite 1000  
Houston, TX 77079  
Attn: Kenneth J. Knott

Dear Mr. Knott:

Your letter dated April 24, 2024, requesting cancellation of Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Bond No. 6543124, in the amount of \$3,000,000, was received by our office on that same date. This bond, conditioned to cover the principal's leasehold interest held now or hereafter in the Gulf of Mexico, was executed on February 20, 2008, with St. Mary Land & Exploration Company as principal and Safeco Insurance Company of America as surety.

Attached to and forming a part of Bond No. 6543124, is Name Change Bond Rider, executed on March 23, 2011, which changes the name of the principal from St. Mary Land & Exploration Company to SM Energy Company. The rider is effective June 1, 2010.

Pursuant to 30 CFR 556.906 (d)(1) your bond may be cancelled seven years after the termination of the lease, six years after completion of all bonded obligations, or at the conclusion of any appeals or litigation related to your bonded obligation, whichever is the latest. The period of liability of Bond 6543124 was terminated February 24, 2017.

The Bureau of Ocean Energy Management has no objection to cancellation of the above bond. Therefore, Bond No. 6543124 is considered cancelled without residual liability, effective May 7, 2024, the date of final concurrence with such cancellation.

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

Sincerely,

**BERNADETTE THOMAS**

Digitally signed by  
BERNADETTE THOMAS  
Date: 2024.05.08  
14:36:19 -05'00'

Bernadette Thomas  
Regional Supervisor  
Leasing and Plans

cc: Jamie Ruppelt ([jruppelt@sm-energy.com](mailto:jruppelt@sm-energy.com))  
Dedee Kelly ([dkelly@lockton.com](mailto:dkelly@lockton.com))  
Craig Payne ([cpayne@lockton.com](mailto:cpayne@lockton.com))



Kenneth J. Knott  
Senior Vice President – BD/Land  
777 N Eldridge Parkway, Suite 1000  
Houston, Texas 77079  
281.677.2791  
[kknott@sm-energy.com](mailto:kknott@sm-energy.com)  
SM-Energy.com

April 24, 2024

**VIA ELECTRONIC MAIL TO:**

[boemgomrfinancialassurance@boem.gov](mailto:boemgomrfinancialassurance@boem.gov)

Bureau of Ocean Energy Management  
Gulf of Mexico OCS Region  
Leasing and Financial Responsibility Section  
1201 Elmwood Park Boulevard  
New Orleans, LA 70123-2394

**RECEIVED**

**April 24, 2024**

**Leasing & Financial  
Responsibility Section**

**Re: Letter of Request  
MS GM 266A  
SM Energy Company Bond No. 6543124**

Hello:

SM Energy Company, Company Number 02308, hereby requests cancellation of Bond No. 6543124. This request is based on the fact that the period of liability under the bond terminated on February 24, 2017, and it has been seven years from the date of termination of this bond.

Pursuant to BOEM's Termination and Cancellation Requests instructions, the following additional information is provided:

**Description of Bond:**

- **Type:** OCS Mineral Lessee's and Operator's Bond
- **Number:** 6543124 (BOEM #MS GM 266A)
- **Amount:** \$3,000,000
- **Area or Property Covered:** We are unsure of the exact area or property covered, but it could be one or all of the following:
  - Green Canyon Block 385, OCS-G 25142: *We have sold our interest in this property.*
  - Vermilion 273 OCS-G 14412 B-3 well: *This well has been plugged and abandoned and the bond that related solely to that well (#6543126) has been cancelled by the BOEM.*
  - Vermilion 213 B9ST1 Well: *SM owns a non-operating 16.275% record title interest in this well. The well is drilled from the VR 214 platform into the VR 213 platform. Neither platform is operated by SM Energy Company.*

- **Principal with company number:** SM Energy Company (formerly St. Mary Land & Exploration Company), Company Number 02308
- **Surety:** Safeco Insurance Company of America
- **Execution Date and/or Effective Date:** February 20, 2008
- **Action You Are Requesting:** Cancellation of bond
- **Point of contact for questions:**  
Jamie Ruppelt, Senior Paralegal, SM Energy Company, 720.826.8372 or [jruppelt@sm-energy.com](mailto:jruppelt@sm-energy.com)
- **Contact emails for principal, surety (or broker handling bond) and any others you wish to be on distribution list:**  
Principal: Jamie Ruppelt, [jruppelt@sm-energy.com](mailto:jruppelt@sm-energy.com)  
Broker: Dedee Kelly, [dkelly@lockton.com](mailto:dkelly@lockton.com)  
Broker: Craig Payne, [cpayne@lockton.com](mailto:cpayne@lockton.com)

Thank you for your assistance.

Sincerely,

SM ENERGY COMPANY



Kenneth J. Knott  
Attorney-in Fact and  
Vice President – Land and Assistant  
Secretary