



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. 6543125

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) Pipeline Right-of-Way Grant Bond No. 6543125, in the amount of \$300,000, was received by our office on that same date. This bond, conditioned to cover the principal's pipeline operations 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. 6543125, 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 6543125 was terminated February 24, 2017.

The Bureau of Ocean Energy Management has no objection to cancellation of the above bond. Therefore, Bond No. 6543125 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.

Sincerely,

BERNADETTE THOMAS
Digitally signed by
BERNADETTE THOMAS
Date: 2024.05.08
14:37:10 -05'00'

Bernadette Thomas
Regional Supervisor
Leasing and Plans

cc: Jamie Ruppelt (jruppelt@sm-energy.com)
Dedee Kelly (dkelly@lockton.com)
Craig Payne (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
SM-Energy.com

April 24, 2024

RECEIVED

April 24, 2024

**Leasing & Financial
Responsibility Section**

VIA ELECTRONIC MAIL TO:

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

**Re: Letter of Request
MS GM 266A
SM Energy Company Bond No. 6543125**

Hello:

SM Energy Company, Company Number 02308, hereby requests cancellation of Bond No. 6543125. 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 Pipeline Right-of-Way Grant Bond
- **Number:** 6543125 (BOEM #MS GM 266A)
- **Amount:** \$300,000
- **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
- **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
Broker: Dedee Kelly, dkelly@lockton.com
Broker: Craig Payne, 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