



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. B014589

October 22, 2024

Otto Energy (Gulf Two) LLC
717 Texas Ave., Ste 1200
Houston, TX 77002
Attn: Philip Trajanovich

Dear Mr. Trajanovich:

Your letter dated October 8, 2024, requesting termination of the period of liability of Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Bond No. B014589, in the amount of \$50,000, was received by our office on that same date. This bond, conditioned to cover Lease OCS-G G 37184, all of Block 48, South Timbalier Area, was executed on September 27, 2022, with Otto Energy (Gulf Two) LLC as principal and U.S. Specialty Insurance Company as surety.

The Bureau of Ocean Energy Management has no objection to termination of Bond No. B014589. The period of liability is considered to have terminated effective October 22, 2024, the date of final concurrence with the termination, except as to any liability which may have accrued prior to that date.

Notwithstanding the fact that the period of liability under the above-described bond has terminated, the bond cannot be cancelled until 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 obligations, whichever is the latest. When these requirements have been met you may submit a written cancellation request.

Please note that during the aforementioned period, to cover actual or potential outstanding obligations associated with the herein identified lease, you may provide acceptable security, pledged collateral or another corporate surety bond to the Bureau of Ocean Energy Management in lieu of the above-described surety.

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: 2024.10.22
08:55:23 -05'00'

Bernadette Thomas
Regional Supervisor
Leasing and Plans

cc: Principal (trajanovich@ottoenergy.com)
Surety (manderson@indemco.com, nrios@indemco.com)
Broker (mpena@mcgriff.com)

OTTO ENERGY (GULF TWO) LLC

717 Texas Ave., Ste 1200
Houston, TX 77002



October 8th, 2024

Via Electronic Mail

Bureau of Ocean Energy Management
Leasing and Financial Responsibility Section
1201 Elmwood Park Boulevard, MS 5421
New Orleans, Louisiana 70123-2390

Re: OCS-G 37184
Request for Termination of Liability of Lease Specific Bond Due to Relinquished Lease

Dear Sir or Madam:

Otto Energy (Gulf Two) LLC would like to request termination of the liability of Otto Energy (Gulf Two) LLC's (#3502) general lease-specific (base) bond for the relinquished lease OCS-G 37184.

Information about the bond is as follows:

- Bond No. B014589;
- Amount of \$50,000,
- Executed on September 27, 2022
- Lease specific bond, conditioned to cover Lease OCS-G 37184, all of Block 48, South Timbalier Area,
- Principal is Otto Energy (Gulf Two) LLC; and
- Surety is U.S. Specialty Insurance Company.

As requested please find the following contact email addresses for Principal trajanovich@ottoenergy.com, Surety manderson@indemco.com and nrios@indemco.com, and Broker mpena@mcgriff.com should you have any further questions.

Yours sincerely,

Philip Trajanovich

RECEIVED

October 8, 2024

**Leasing & Financial
Responsibility Section**