



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. SBP150623_002

October 9, 2024

Crescent Midstream, LLC
263 Trinity Lane
Gray, LA 70359
Attn: Jeremiah Ashcroft

Dear Mr. Ashcroft:

Your letter dated October 7, 2024, submitting replacement Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Supplemental Bond No. SBP150623_002, in the amount of \$565,000, was received by our office on October 8, 2024. This bond, conditioned to cover Right-of-Way OCS-G 1462A, was executed on October 7, 2024, with Crescent Midstream, LLC as principal and Pennsylvania Insurance Company as surety.

This bond replaces Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Supplemental Bond No. SUR0035105, in the amount of \$565,000. This bond, conditioned to cover Right-of-Way OCS-G 1462A, was executed on October 7, 2015, with Crimson Gulf, LLC as principal, and Argonaut Insurance Company as surety.

Attached to and forming a part of Bond No. SUR0035105, is Name Change Bond Rider, executed on October 14, 2021, which changes the name of the principal from Crimson Gulf, LLC to Crescent Midstream, LLC. The rider is effective January 12, 2021.

We are unable to accept your replacement bond at this time for the following reasons.

- The Risk Management Operations Section (RMOS) has objected to the acceptance of this bond. Please contact RMOS for additional information at BOEMRMOS@boem.gov.
- The title beneath the principal's signature is incorrect. It must match the title as printed on the qualification card exactly.

Should you need further assistance, please contact Kathleen Lee at (504) 736-5774 or boemgomrfinancialassurance@boem.gov.

Sincerely,

BRIDGETTE
DUPLANTIS

Digitally signed by
BRIDGETTE DUPLANTIS
Date: 2024.10.09
11:02:12 -05'00'

Bridgette Duplantis, Section Chief
Leasing and Financial Responsibility Section
Leasing and Plans

cc: Principal (jashcroft@crescentmid.com)
Surety (nppontikes@auw.com, john.hohlt@cacspecialty.com)



RECEIVED

October 8, 2024

*Leasing & Financial
Responsibility Section*

Jeremiah Ashcroft
Chief Executive Officer
263 Trinity Lane
Gray, LA 70359

October 7, 2024

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

RE: Replacement Bond Submission

Included in this delivery you will find a replacement bond for Argonaut Insurance Company Bond No. **SUR0035105**. Pennsylvania Insurance Company Bond No. **SBP150623_002** replaces and supersedes Argonaut Insurance Company Bond No. SUR0035105 effective October 7, 2024.

Replaced bond details:

Bond Type: Supplemental – Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Supplemental Bond (BOEM-2028A form)

Bond Number: **SUR0035105**

Area/property covered: See legal description attached to bond as Schedule A

Penalty Amount: \$565,000.00

Principal:
Crescent Midstream, LLC
263 Trinity Lane
Gray, LA 70359

Surety:
Argonaut Insurance Company
P.O. Box 469011
San Antonio, TX 78246

Replacement bond details:

Bond Type: Supplemental – Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Supplemental Bond (BOEM-2028A form)

Bond Number: **SBP150623_002**

Penalty Amount: \$565,000.00

Area/property covered: See legal description attached to bond as Schedule A

Principal:
Crescent Midstream, LLC
263 Trinity Lane
Gray, LA 70359

Surety:
Pennsylvania Insurance Company
P.O. Box 3646
Omaha, NE 68103



Point of contact during review: Jeremiah Ashcroft
Principal contact: (985) 991-7133; jashcroft@crescentmid.com
Broker contact: John Hohlt – john.hohlt@cacspecialty.com
Surety contact: Pierce Pontikes – npontikes@auw.com

Please feel free to contact us should any questions arise or if I can be of further assistance.

Sincerely,



Jeremiah Ashcroft

Cover Page
**OUTER CONTINENTAL SHELF (OCS)
MINERAL LESSEE'S OR OPERATOR'S
SUPPLEMENTAL BOND**

Form BOEM-2028A

This form dated **March 2023** supersedes all previous versions of form BOEM-2028A

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

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

Bureau of Ocean Energy Management
Pacific OCS Office
760 Paseo Camarillo, Suite 102
Camarillo CA 93010
Lease Management

RECEIVED

October 8, 2024

**Leasing & Financial
Responsibility Section**

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. SBP150623_002

OCS Lease/RUE/ROW No. OCS-G1462A

Bond Type Supplemental

Amount \$ 565,000.00

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

The Surety is the entity Guaranteeing Performance.

Name of Surety: Pennsylvania Insurance Company

Mailing Address: P.O. Box 3646
Omaha, NE 68103

If a Corporation, Incorporated in the State of: New Mexico; County or Parish of: Santa Fe

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: Crescent Midstream, LLC

Mailing Address: 263 Trinity Lane, Gray, Louisiana 70359

Schedule A, the lease/RUE/ROW covered by this bond, is composed of: (add legal description)

Check here if additional information is on attached sheet.

The following lease/RUE/ROW: See attached legal description in Schedule A

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:

The Principal as agent on behalf of all lessees, operating rights owners, and operators will fulfill all Obligations for the entire leasehold and to the same extent as though the Principal were the sole lessee for the lease/RUE/ROW in Schedule A.

By signing below, the Surety verifies that the information above is correct and agrees to the following:

1. 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 payment of all of the cost of the plugging and abandonment Obligations.
2. 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.
3. 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.
4. If this bond is cancelled, the Regional Director may reinstate this bond as if no cancellation had occurred if any payment of any Obligation 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.

Pennsylvania Insurance Company

Crescent Midstream, LLC

Name of Surety

Name of Principal

Signature of Person Executing for Surety

Signature of Person Executing for Principal

John Hohlt, Attorney-in-Fact

Jeremiah Ashcroft, CEO

Name and Title (typed or printed)

Name and Title (typed or printed)

2121 Sage Road, Suite 145

263 Trinity Lane

Business Address

Business Address

Houston, Texas 77056

Gray, LA 70359

Business Address

Business Address

Signed on this 7th day of October, 2024, in the State of Texas, in the presence of:

Signature of Witness

Signature of Witness

Nadia Ortega

K. Park Yoo

Name (typed or printed)

Name (typed or printed)

2121 Sage Road, Suite 145

263 TRINITY LANE

Address

Address

Houston, Texas 77056

GRAY, LA 70359

Address

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.

BOEM-2028A (March 2023)

Previous Editions are Obsolete.

Schedule A

Segment Number 806 (OCS-G1462A):

Right-of-way OCS-G1462A, Segment Number 806: A Right-of-way 200-feet in width for the maintenance and operation of an 8-inch pipeline, 24.62 miles in length, to transport oil from Platform A in Vermilion Area Block 265, through blocks 266, 257, 256, 255, 254, 249, 250 and 251 in Vermilion Area, Blocks 71, 72, and 73 in South Marsh Area to Platform B in South Marsh Area Block 69.

10805 Old Mill Road · Omaha, Nebraska 68154

POWER OF ATTORNEY NO. CACHOU01_0323

KNOW ALL MEN BY THESE PRESENTS: That the California Insurance Company, duly organized and existing under the laws of the State of California and having its principal office in the County of San Mateo, California, and Continental Indemnity Company, Illinois Insurance Company and Pennsylvania Insurance Company, corporations duly organized and existing under the laws of the State of New Mexico and having their principal office in the County of Santa Fe, New Mexico does hereby nominate, constitute and appoint:

John Hohlt, Senia Hernandez, Candice Hild, Nadia Ortega

Its true and lawful agent and attorney-in-fact, to make, execute, seal and deliver for and on its behalf as surety, and its act and deed any and all bonds, contracts, agreements of indemnity and other undertakings in suretyship (NOT INCLUDING bonds without a fixed penalty or financial guarantee) provided, however, that the penal sum of any one such instrument executed hereunder shall not exceed the sum of:

“Unlimited“

This Power of Attorney is granted and is signed and sealed under and by the authority of the following Resolution adopted by the Board of Directors of California Insurance Company, Continental Indemnity Company, Illinois Insurance Company and Pennsylvania Insurance Company.

“RESOLVED, That the President, Senior Vice President, Vice President, Assisted Vice President, Secretary, Treasurer and each of them hereby is authorized to execute powers of attorney, and such authority can be executed by use of facsimile signature, which may be attested or acknowledged by any officer or attorney of the Company, qualifying the attorney or attorneys named in given power of attorney, to execute in behalf of, and acknowledge as the act and deed of the California Insurance Company, Continental Indemnity Company, Illinois Insurance Company and Pennsylvania Insurance Company, all bond undertakings and contracts of suretyship, and to affix the corporate seal thereto.”

IN WITNESS WHEREOF, California Insurance Company, Continental Indemnity Company, Illinois Insurance Company and Pennsylvania Insurance Company, has caused its official seal to be hereunto affixed and these presents to be signed by its duly authorized

officer the 16th day of August 2023.

California Insurance Company, Continental Indemnity Company,
Illinois Insurance Company, Pennsylvania Insurance Company

By _____

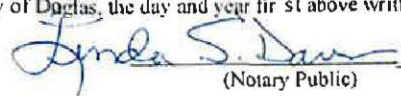
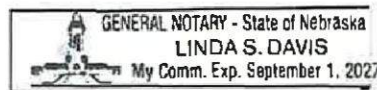


Jeffrey A. Silver, Secretary

STATE OF NEBRASKA
COUNTY OF DOUGLAS SS:

On this 16th day of August A.D. 2023, before me a Notary Public of the State of Nebraska, in and for the County of Douglas, duly commissioned and qualified, came THE ABOVE OFFICER OF THE COMPANY, to me personally known to be the individual and officer described in, and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposed and said that he is the officer of the said Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and the said Corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority and direction of the said corporation, and that Resolution adopted by the Board of Directors of said Company, referred to in the preceding instrument is now in force.

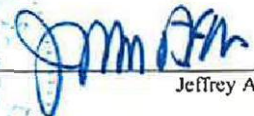
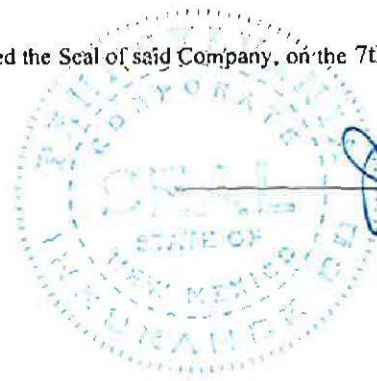
IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed my Official Seal at the County of Douglas, the day and year first above written.



(Notary Public)

I, the undersigned Officer of the California Insurance Company, a California Corporation of Foster City, California, Continental Indemnity Company, Illinois Insurance Company and Pennsylvania Insurance Company, New Mexico Corporations of Santa Fe, New Mexico, do hereby certify that the original POWER OF ATTORNEY of which the foregoing is full, true and correct copy is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand, and affixed the Seal of said Company, on the 7th day of October, 2024



Jeffrey A. Silver, Secretary