

SURETY BOND

**CERTIFICATION OF OIL SPILL FINANCIAL RESPONSIBILITY
IN ACCORDANCE WITH THE REQUIREMENTS OF THE OIL POLLUTION ACT OF 1990**
(TYPE OR PRINT ALL INFORMATION EXCEPT SIGNATURES)

1. Designated Applicant: _____
COMPANY LEGAL NAME BOEM COMPANY NUMBER

2. Surety Company Bond Number: _____.

3. The Designated Applicant and Responsible Parties, identified in form(s) BOEM-1017 on file or attached, and _____, a company created under the laws of _____, and _____, authorized to do business in the United States, as Surety (hereinafter called Surety), are held and firmly bound unto the United States of America and other claimants for damages and removal cost liability under the Oil Pollution Act of 1990, 33 U.S.C. § 2701 *et seq.* (hereinafter called Act), in the sum of \$ _____, for _____, which payment, we bind ourselves and our heirs, executors, administrators, successors, and assigns, jointly and severally, under the terms and conditions of Part 553 of Title 30 of the Code of Federal Regulations. This bond is hereby provided on behalf of the Responsible Parties to comply with the requirements of 33 U.S.C. § 2716(c) and is offered to satisfy any claim made under OPA.

4. The liability of the Surety will not be discharged by any payment or succession of payments hereunder, unless and until such payment or payments will amount in the aggregate to the penalty of the bond. In no event will the Surety's obligation hereunder exceed the amount of the penalty, provided the Surety furnishes timely written notice to the Bureau of Ocean Energy Management (BOEM) oil spill financial responsibility (OSRP) program of all claims filed, judgments rendered, and payments made by the Surety under this bond.

5. This bond is effective the _____ day of _____, _____, 12:01 a.m., Eastern Standard Time
NUMBER MONTH YEAR

as stated herein and will continue in force until terminated as hereinafter provided. The Surety may at any time terminate this bond by written notice of intent to cancel sent by certified mail to the Designated Applicant with copies (plainly indicating the original notice was sent by certified mail) to all Responsible Parties and to the BOEM oil spill financial responsibility program by certified mail. This surety bond will remain in force and the undersigned will remain liable until termination on the earlier of: (1) thirty calendar days after BOEM and the Designated Applicant receive a notification of an intent to cancel this Surety Bond; (2) BOEM receives other acceptable OSFR evidence from the Designated Applicant; or (3) all the COFs to which this Surety Bond applies have been permanently abandoned either in compliance with 30 CFR part 250 or equivalent state requirements. The Surety will not be liable in connection with an incident occurring after the termination of this bond as herein provided; but termination will not affect the liability of the Surety in connection with an incident occurring before the termination becomes effective.

6. The undersigned agree that any suit or claim for which the Responsible Parties identified in form(s) BOEM-1017, on file or attached, represented by the aforementioned Designated Applicant may be liable under Title I of the Act may be brought directly against the Surety for claims up to the amount of the penalty asserted by the U.S. government or by other claimants when a Responsible Party denies or fails to pay a claim on the basis of insolvency or a Responsible Party has petitioned for bankruptcy under Title 11 of the U.S. Code.

7. The undersigned further agrees not to use any defense except those that would be available to a Responsible Party for whom the Surety was provided or that the incident leading to the claim for removal costs or damages was caused by willful misconduct of a Responsible Party covered by this Surety Bond.

- 8. The undersigned further agrees that the Responsible Party, pursuant to the requirements of 30 CFR 553.15, will notify the BOEM oil spill financial responsibility program in the event the Responsible Party is no longer able to maintain evidence of oil spill financial responsibility to the extent stated in section 3 above.
- 9. The Designated Applicant must, no later than the first calendar day of the fifth month after the close of your Financial Guarantor's fiscal year or termination if earlier, submit either a renewal of this Surety Bond or other acceptable evidence of financial responsibility.
- 10. In witness whereof, the Designated Applicant and the Surety have executed this instrument on the _____ day of _____, _____.

MONTH YEAR

Designated Applicant:

SIGNATURE OF AUTHORIZED REPRESENTATIVE

NAME OF AUTHORIZED REPRESENTATIVE

TITLE OF AUTHORIZED REPRESENTATIVE

Surety:

COMPANY NAME

ADDRESS

CITY STATE ZIP CODE

SIGNATURE OF AUTHORIZED REPRESENTATIVE

NAME OF AUTHORIZED REPRESENTATIVE

TITLE OF AUTHORIZED REPRESENTATIVE

PAPERWORK REDUCTION ACT STATEMENT

BUREAU OF OCEAN ENERGY MANAGEMENT

OIL POLLUTION ACT OF 1990

OIL SPILL FINANCIAL RESPONSIBILITY FOR OFFSHORE FACILITIES

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) requires us to inform you that the Bureau of Ocean Energy Management (BOEM) collects this information to:

1. Provide a standard method for establishing eligibility for oil spill financial responsibility (OSFR) for offshore facilities;
2. Identify and maintain a record of those offshore facilities that have a potential oil spill liability;
3. Establish and maintain a continuous record, over the liability term specified in Title I of the Oil Pollution Act of 1990, of financial evidence and instruments established to pay claims for oil spill cleanup and damages resulting from operations conducted on offshore facilities and the transportation of oil from offshore platforms and wells;
4. Establish and maintain a continuous record of Responsible Parties, as defined in Title I of the Oil Pollution Act of 1990, and their agents or Authorized Representatives for oil spill financial responsibility for offshore facilities; and
5. Establish and maintain a continuous record, over the liability term specified in Title I of the Oil Pollution Act of 1990, of persons to contact and U.S. Agents for Service of Process for claims associated with oil spills from offshore facilities.

The BOEM will routinely use the information to:

1. Ensure compliance of offshore lessees and owners and operators of offshore facilities with Title I of the Oil Pollution Act of 1990;
2. Establish eligibility of applicants for OSFR; and
3. Establish a reference source of names, addresses, and telephone numbers of Responsible Parties for offshore facilities and their Authorized Representatives and Guarantors for claims associated with oil pollution from designated offshore facilities.

Responses are mandatory (33 U.S.C. 2716). No confidential or proprietary information is required to be submitted. The BOEM considers oil spill financial responsibility demonstrations, including supporting audited financial statements, to be public information open for review under the Freedom of Information Act (5 U.S.C. 552).

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 Office of Management and Budget (OMB) Control Number. The public reporting burden for an application for certification of oil spill financial responsibility is listed below. The burden includes the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the application. The average burden for this form and required information that could comprise a submission is 24 hours.

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.