

14995

Hoactzin Partners, L. P.

July 25, 2019

Office of Field Operations
U.S. Department of the Interior
Bureau of Safety and Environmental Enforcement
1201 Elmwood Park Blvd.
New Orleans, Louisiana 70123-2394

Attn: Angie Gobert
Pipeline Unit Section Chief

RE: Request for Temporary Cessation of Operations for Existing 4-Inch Bulk Gas Right-of-Way Pipeline Segment No. 14995, ROW OCS-G 28745, Originating at Ship Shoal Block 144, Caisson No. 1 and Terminating at Ship Shoal Block 145, E Platform, OCS Federal Waters, Gulf of Mexico, Offshore, Louisiana

Ladies / Gentlemen:

Hoactzin Partners, L.P. ("Hoactzin") respectfully requests to extend the temporary cessation of operations through October 31, 2019 for Right-of-Way pipeline segment no. 14995, ROW OCS-G 28745, originating at Ship Shoal Block 144, Caisson No. 1 and terminating at Ship Shoal Block 145, E Platform.

The aforementioned pipeline was placed out of service on October 31, 2016. By letter dated May 11, 2018, the Bureau of Safety and Environmental Enforcement ("BSEE") approved Hoactzin's request for a temporary cessation of operations through October 31, 2018. By letter dated October 30, 2018, Hoactzin requested an additional extension through July 31, 2019 which is pending BSEE approval.

Lease OCS-G 11984, SS 159 is the bottom-hole location of Hoactzin's well SS 159, Well No. 001 which surfaces at Hoactzin's RUE OCS-G 30275, Ship Shoal Block 144 ("SS 144"), Caisson No. 1 and flows to Hoactzin's Lease OCS-G 34831, Ship Shoal Block 145 ("SS 145"), Platform E via ROW OCS-G 28745, Pipeline Segment No. 14995.

On December 12, 2016, WFS-Liquids LLC ("Williams"), the receiving company, declared a force majeure event that began on October 25, 2016 resulting in shut-in of SS 159 on October 31, 2016. The force majeure event was a direct result of certain operating issues with facilities upstream of the condensate terminalling facility. At the time, production was expected to resume by October 2017 and was later extended to June 30, 2018.

Additionally, the transporter, Transcontinental Gas Pipe Line Company, LLC ("Transco") sent notice in October 2017 that it would not be re-activating Pipeline Segment 15529, which is the line Hoactzin's Pipeline Segment No. 14554 ties into. Transco offered to transfer ownership of the line but none of the active producers opted to take over the line (in whole or in part). Pipeline Segment No. 15529, is a 10" 101,000-feet in length line laid in 1964 with a history of failures.

P.O. Box 16867, Fernandina Beach, FL 32035

*Bureau of Safety and Environmental Enforcement
Request for Temporary Cessation of Operations
ROW OCS-G 28745, Pipeline Segment No. 14995
July 25, 2019*

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Hoactzin entered negotiations with a new transporter, Kinetica Partners, LLC ("Kinetica") to run Pipeline Segment No. 14554 to an existing side tap in SS 145. The contract with Kinetica was fully executed December 13, 2018. In February 2019, Kinetica provided the previous-to-current line map as-built and "Typical" Tie-In Assembly drawing.

Hoactzin contracted Gulf Ocean Services, Inc. ("Gulf Ocean") to perform a hazards survey of the route from the current SSTI to the new SSTI location. The hazards survey was initially scheduled for March 2019; however, due to Gulf Ocean's back log of work due to weather delays, the hazards survey was pushed to April 2019. The hazards survey was performed in the field April 27, 2019 – April 29, 2019. The complete report was received June 13, 2019. The hazards survey confirmed the location of the tie-in point to Kinetica's line.

The application to modify Pipeline Segment No. 14554 was submitted to BSEE – Pipelines Unit on June 20, 2019 and is currently in review. Hoactzin has requested expedited review.

The pipeline flush, fill and disconnect is to be performed with the pipe lay spread from a dive boat. Line flush and SSTI disconnect procedures have been prepared and forwarded to and received approval from Transco/Williams.

Hoactzin has received quotes from Triton Marine/Alliance and executed an MSA to utilize a lift boat and dive boat spread for the flush, fill and existing SSTI disconnect, new pipe lay/bury and the new SSTI connection. The contract with Triton is in the final review phase, and Hoactzin is on their installation schedule as of now for August 8, 2019, pending permit approval.

Operations are estimated as 4-5 days for the initial flush and disconnect; and, 10 days for the new line lay and hydro/dewatering for a total of 14-15 days. At that time, the platform and wells will be ready to be returned to production.

Once the pipeline modification is approved, Hoactzin will perform the pipeline flush, disconnect and decommissioning of the subsea tie-in via dive boat and run pipe to the existing side tap in SS 145 via lay barge and dive boat with expected completion in September 2019. Hoactzin will then complete pre-start up procedures and will return Lease OCS-G 11984, SS 159 and Pipeline Segment No. 14995 to production prior to October 31, 2019.

By letter dated September 26, 2018, BSEE approved a suspension of production ("SOP") for Lease OCS-G 11984, SS 159 September 26, 2018 through July 31, 2019. An additional SOP will be requested to hold the lease through October 31, 2019.

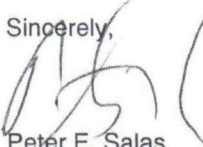
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Request for Temporary Cessation of Operations
ROW OCS-G 28745, Pipeline Segment No. 14995
July 25, 2019*

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Enclosed is a PayGov receipt in the amount of \$4169.00 to cover the processing fee.

Should you have any questions or require additional information, please contact Courtney Feik, J. Connor Consulting, Inc., at (281) 578-3388 or courtney.feik@jccteam.com.

Sincerely,



Peter E. Salas
President of Dolphin Advisors (Hoactzin), LLC
Managing Partner of Hoactzin Partners, L.P.

PES:cf

Hoactzin Partners, L. P.

October 30, 2018

Revised December 11, 2018

Office of Field Operations
U.S. Department of the Interior
Bureau of Safety and Environmental Enforcement
1201 Elmwood Park Blvd.
New Orleans, Louisiana 70123-2394

Bureau of Safety and Environmental Enforcement (BSEE)

RECEIVED

DEC 18 2018

Office of Field Operations
Pipeline Section

Attn: Angie Gobert
Pipeline Unit Section Chief

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On December 12, 2016, WFS-Liquids LLC experienced a force majeure event that began on October 31, 2016. The force majeure event was caused by a failure of the pipeline with facilities upstream of the condensate treatment facilities.

Additionally, the transporter, Transcontinental Energy Services, sent notice in October 2017 that it would not be able to transport the gas which is the line Hoactzin's Pipeline Segment No. 14995. Transcontinental Energy Services is transferring ownership of the line but none of the line (in whole or in part). Pipeline Segment No. 14995 was originally laid in 1964 with a history of failures.

Hoactzin is now in final negotiations with a company ("Kinetica") to tie-into Kinetica's existing sales pipeline. Hoactzin has received quotes to perform a hazards survey and is planning to submit the pipeline safety report to BSEE by December 2018. Operations are expected to begin in Spring 2019 and be completed by early Summer 2019. A suspension of production was approved September 26, 2018 by BSEE through July 31, 2019.

14995 OCS
10/31/2016
7/31/2018
want to F/F until ~~10/31/2018~~
want CO until 7/31/2019

*Bureau of Safety and Environmental Enforcement
Request for Temporary Cessation of Operations
ROW OCS-G 28745, Pipeline Segment No. 14995
October 30, 2018 (Revised December 11, 2018)*

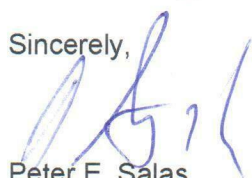
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Once the pipeline modification is approved, Hoactzin will tie-into Kinetica's line via a pipeline extend to an existing subsea tie-in with expected completion date of June 30, 2019. Hoactzin will complete pre-start up procedures and will return Lease OCS-G 11984, SS 159 to production prior to July 31, 2019.

Enclosed is a PayGov receipt in the amount of \$4169.00 to cover the processing fee.

Should you have any questions or require additional information, please contact Courtney Feik, J. Connor Consulting, Inc., at (281) 578-3388 or courtney.feik@jccteam.com.

Sincerely,



Peter E. Salas
President of Dolphin Advisors (Hoactzin), LLC
Managing Partner of Hoactzin Partners, L.P.

PES:cf

PT

Hoactzin Partners, L.P.

October 30, 2018

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OCT 31 2018

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Pipeline Section

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Pipeline Unit Section Chief

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Bureau of Safety and Environmental Enforcement
Request for Temporary Cessation of Operations
ROW OCS-G 28745, Pipeline Segment No. 14995
October 30, 2018

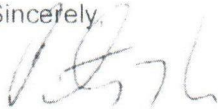
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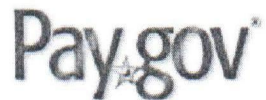
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Sincerely,



Peter E. Salas
Hoactzin Partners, L.P.
By: Dolphin Advisors (Hoactzin), LLC,
its Managing Partner

PES:cf



Receipt

Tracking Information

Pay.gov Tracking ID: 26D721IH

Agency Tracking ID: 75605561015

Form Name: Pipeline ROW Modification Application

Application Name: BSEE Pipeline ROW Modification Application - BY

Payment Information

Payment Type: Bank account (ACH)

Payment Amount: \$4,169.00

Transaction Date: 10/30/2018 02:19:03 PM EDT

Payment Date: 10/31/2018

Region : Gulf of Mexico

Contact: Courtney Feik 281-578-3388

Company Name/No: Hoactzin Partners, L.P., 02801

Pipeline Segment No.: 14995

Account Information

Account Holder Name: Courtney Feik

Routing Number: 111924994

10/30/2018

Pay.gov - Receipt

Account Number: *****8821

Hoactzin Partners, L.P.

P.O. Box 16867

Fernandina Beach, Florida 32035

GOM COMPANY#: 2801

Delaware Limited Partnership

Modified: 06-Jan-14

Approved: 12-Apr-05

**AUTHORIZED TO CONDUCT
THE FOLLOWING BUSINESS:**

OIL & GAS: Yes
RIGHTS-OF-WAY: Yes
ALTERNATIVE ENERGY: No

BANKRUPTCY INFORMATION:

BANKRUPTCY: No
BANKRUPTCY START DATE:
BANKRUPTCY END DATE:

EEO Plan: No

DESIGNATED OPERATOR STATUS:

REVOKED: No
REVOKED START DATE:
REVOKED END DATE:

DEBARMENT: No
DEBARMENT START DATE:
DEBARMENT END DATE:

Qualification documents received 3/3/2005, 4/6/2005 and 4/12/2005.

Authorized consultant: Baker & McKenzie LLP
Looper Reed & McGraw, P.C.

Must be bound by: Hoactzin Partners, L.P.
By: Dolphin Advisors (Hoactzin), LLC,
its Managing Partner

NAME	TITLE	EXPIR. DATE
Peter E. Salas	President	

RESOLVED, that the President of Dolphin Advisors (Hoactzin), LLC, Peter E. Salas, is hereby empowered on behalf of the Company (Dolphin Advisors (Hoactzin), LLC) and the Partnership (Hoactzin Partner, L.P.), in any matter relating to Federal lands or minerals or other rights under the supervision of Federal authority, to agree upon the terms of and to execute and deliver any instrument or agreement, including any application, bid, lease, bond, assignment, relinquishment, or other paper.

THIS LIMITED PARTNERSHIP CONSISTS OF THE FOLLOWING PARTNERS:

1. Dolphin Direct Equity Partners, LP - Limited Partner
2. Dolphin Advisors (Hoactzin), LLC - Managing Partner

TERM: ..., the term of the Partnership shall terminate at the close of business on the fifteenth anniversary of the date hereof; provided however, that subject to Section 5.1, such term may be extended by the Managing Partner in its sole discretion, for up to two additional consecutive one-year periods from and after such fifteenth anniversary.

Hoactzin Partners, L.P.

GOM COMPANY#: 2801