



December 18, 2025

Fritdij Exavier, Agent

P & F Operating LLC

6436 Rodman Street

Hollywood, FL 33023

Delivered via electronic mail:

[exavier@pfoperating.co](mailto:exavier@pfoperating.co)

RE: Indemnity Bond Determination to Acquire Marginal Wells and Associated Facilities

To Fritdij Exavier:

The purpose of this letter is to inform you that the Department of Conservation, Geologic Energy Management Division ("CalGEM") has determined that if P & F Operating LLC were to acquire the wells and tanks listed on Attachment A, it will be required to file a bond for \$1,667,096.00 to comply with Public Resources Code section 3205.8.

This amount is based upon CalGEM's estimation of the cost to plug and abandon the well and site remediation of the associated production pipeline. A breakdown of the cost estimate is provided in Attachment B. A more detailed Excel Spreadsheet is also attached that details the Cost Estimates. While it may not change the bonding amount determined by CalGEM, P & F Operating LLC may submit a cost estimate to plug and abandon the well and decommissioning of applicable associated pipeline, compiled by a third-party based on the factors listed in PRC section 3205.3(b) or the cost estimation criteria described in PRC section 3205.7(b), for consideration by CalGEM.

If you have any questions, please contact CalGEM's Enterprise Risk Unit via email at [CalGEMEntRiskUnit@conservation.ca.gov](mailto:CalGEMEntRiskUnit@conservation.ca.gov).

Sincerely,

*Elizabeth Yura*

Elizabeth Yura

Deputy Supervisor

Attachments:

A - Well Listing and Associated Facilities

B - PRC 3205.8 Cost Estimate Breakdown

Excel Spreadsheet – P & F Operating LLC Workbook for Cost Estimates