

COLLATERAL BOND AGREEMENT

Section 1

Name of Permittee (Operator): _____ Telephone No.: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Corporation _____ Single Proprietorship _____ Partnership _____ Other _____ In the State of _____

Acres to be mined: _____ Mineral to be mined: _____

Section: _____ Township: _____ Range: _____ County: _____

Section: _____ Township: _____ Range: _____ County: _____

Section: _____ Township: _____ Range: _____ County: _____

This Agreement made this _____ day of _____ in the year of _____ by the State of Oklahoma, Department of Mines and _____ (Name of Operator) who in consideration of the issuance of the aforesaid permit and intending to be legally bound hereby, is held and firmly bound unto the State of Oklahoma, Department of Mines, in the just and full sum of \$_____ to the payment whereof the operator does hereby bind his/her/itself, his/her/its heirs, executors, administrators, assigns and successors, firmly by these presents:

NOW THE OBLIGATION OF THIS CONTRACT is such that if the said operator shall faithfully perform all of the requirements of the Mining Reclamation Act, Title 45 O.S. 2001, Section 721 *et seq.* and as amended thereafter; the Rules and Regulations for Non-Coal Mining and Reclamation Operations (460:10-1-1 thru 460:10-37-7); and all the conditions required in the permit issued to said operator as specified heretofore and designated in this bond (all of which are hereinafter referred to as the "law"); and as such amendments or additions to the law may hereinafter be lawfully made, then this obligation shall be null and void; otherwise to be and remain in full force and effect.

LIABILITY UPON THIS BOND shall be for the amount specified herein. Liability upon this bond shall continue for the duration of surface mining and reclamation at the operation conducted hereunder unless released in whole or in part by the Department, in writing, prior thereto as provided by law.

AND FOR THE PURPOSE OF SECURING SAID OBLIGATION, the said _____ (Name of Operator) hereby deposits the following security in lieu of a surety bond in accordance with the provisions of the law.

Section 2

Description of Collateral

Check type of bond:

- _____ Negotiable Bond
- _____ Certificate of Deposit
- _____ Cash or check

- _____ Bank Irrevocable Letter of Credit
- _____ Other, please specify: _____

Issuer (Name of Bank)	Bond Number	Amount
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Total Amount of Collateral: \$ _____

If the Department has authorized a schedule (attached to this bond), to deposit the collateral required to secure this Bond Obligation, the Operator agrees to make such deposits in strict conformity with such schedule as a supplement to such amounts already deposited with the Department. Failure to deposit promptly collateral in accordance with the schedule shall immediately result in the acceleration of the obligation to deposit the full remaining amount of collateral and such other penalties as may be imposed by the Department of Mines.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals, intending to bind legally themselves, their heirs, successors, assigns and transferees, the day and year first above written.

Section 3

Mining Operator Sign Below

Printed Name and Title of Operator Official

Signature

Printed Name and Title of Operator Official

Signature

Print Name of Permittee

Place Corporate Seal HERE,
If applicable

Third Party Sign Below (If applicable)

Printed Name and Title of Third Party Official

Signature

Printed Name and Title of Third Party Official

Signature

Print Name of Third Party

Place Corporate Seal HERE
If applicable

Accepted by Oklahoma Department of Mines

Signature

Title

Approved as to Legality of Form:

Signature
Non-Coal: Revised 01/17

Title

Date