

OIL AND GAS CONSERVATION DIVISION
P.O. Box 52000
Oklahoma City, OK 73152-2000
405-521-2331
ogadmin@occ.ok.gov



Form 1006C
Rev. 2020

Letter of Credit No. _____

LETTER OF CREDIT

OAC 165:10-1-13

OCC/OTC Operator No. _____

(TYPE OR PRINT USING BLACK INK)

DATE: _____

NAME OF OPERATOR:

MAILING ADDRESS:

PHYSICAL ADDRESS:
(if different)

CITY, STATE and ZIP CODE:

PHONE NUMBER:

FAX NUMBER:

CONTACT PERSON:

EMAIL:

EMERGENCY CONTACT

PHONE NUMBER:

NAME OF BANK:

MAILING ADDRESS:

PHYSICAL ADDRESS:
(if different)

CITY, STATE and ZIP CODE:

PHONE NUMBER:

FAX NUMBER:

CONTACT PERSON:

We hereby authorize you to draw upon the banking institution stated above by order and for the account of the above named operator up to an amount not exceeding \$ _____ available by your written demand or draft on ourselves at sight for 100% of amount in and accompanied by a

formal order of the Corporation Commission of the State of Oklahoma entered pursuant to and in aid of the enforcement of the Commission. This obligation may be terminated prior to the Expiration Date (as hereinafter defined) upon a one hundred eighty (180) day notice in writing to the Conservation Division and/or evidence furnished of acceptable alternate surety if required (OAC 165:10-1-13 and Okla. Stat. Tit. 52 § 318.1) or as the rule or statute may be amended, and your signed agreement to such termination. Such termination is not effective until this obligation is released by the Surety Department.

This Letter of Credit expires on _____ (this date, and any automatically extended expiration date, being the "Expiration Date"). It is a condition of the Letter of Credit that it shall be automatically extended without amendment for additional periods, each of one year in duration. If for any reason we determine that this Letter of Credit shall not be extended, we hereby agree to send the Corporation Commission written notice of our election not to extend by certified mail, return receipt requested, or by overnight courier at least one hundred eighty (180) days prior to the then expiration date. Upon receipt by the Corporation Commission of our notice of election not to extend, you may draw hereunder by your written demand or draft on us at sight and your signed and dated statement that you have received our notice of election not to extend, and the Operator has not provided acceptable alternate surety.

This Letter of Credit cannot be modified or terminated prior to the Expiration Date without prior consent from the Corporation Commission. In no event will obligations of multiple Letters of Credit securing the same Operator be cumulative or in excess of the total aggregate sum of \$ _____

Except as otherwise expressly stated herein, this Letter of Credit shall be governed by and construed in accordance with the laws of the State of Oklahoma and is subject to the Uniform Customs and Practices for Documentary Credits, International Chamber of Commerce Brochure No. 600 (UCP) in effect on the date of issuance of this Letter of Credit. In the event of any conflict between Oklahoma law and the UCP, Oklahoma law shall prevail. Venue for any action necessary to interpret or enforce this Letter of Credit shall lie in Oklahoma County, Oklahoma.

We hereby agree with the beneficiary that all demands or drafts drawn under and in compliance with the terms of the Letter of Credit will be duly honored upon presentation to the issuing bank by mail at the physical address, facsimile or electronic transmission at the above listed address/number.

President/Vice President of Bank

Cashier - Assistant Cashier

If the amount of surety coverage is, less than \$25,000.00 then an original affidavit (OCC Form 1006D) completed by an Oklahoma Licensed Pipe Pulling and Well Plugging Company must accompany this Letter of Credit. The affidavit must state the well name and number, legal location, and the cost to properly plug and abandon each well(s) pursuant to Commission rules.