

Permit No. \_\_\_\_\_

Illustration 14  
(Page 2 of 3)  
Sole Proprietorship

- (c) be conditioned upon the Issuing Institution waiving all rights of set-off or liens which it has or may have against those certificates;
- (d) be deposited in sufficient amounts, so that liquidation of those certificates prior to maturity would provide the required bond amount.
- (e) that the assignment shall remain in full force and effect until released in writing by the Office of Surface Mining Reclamation and Enforcement.

This assignment shall be valid throughout any maturity redemption period as designated by the Issuing Institution, and shall also automatically renew itself when the certificate(s) of deposit is renewed.

IN WITNESS WHEREOF, the Obligor has hereunto set its signature and seal this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_

\_\_\_\_\_  
(Company- Permittee)

By: \_\_\_\_\_  
(Individual - Sole Proprietor)

IN WITNESS WHEREOF, the Issuing Institution has hereunto set its signature and seal this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_

\_\_\_\_\_  
(Issuing Institution)

By: \_\_\_\_\_

Title: \_\_\_\_\_

Permit No. \_\_\_\_\_

Illustration 14  
(Page 3 of 3)  
Sole Proprietorship

ACKNOWLEDGEMENT OF COMPANY - PERMITTEE

On this \_\_\_\_ day of \_\_\_\_\_, 19\_\_ , before me, a Notary Public in and for the County of \_\_\_\_\_, in the State of \_\_\_\_\_, appeared \_\_\_\_\_ personally known to me to be the person whose name is subscribed to the foregoing instrument and who, being by me duly sworn, did say that he/she executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day, month, and year aforesaid.

My Commission Expires: \_\_\_\_\_  
Notary Public in and for said  
County and State

ACKNOWLEDGEMENT OF ISSUING INSTITUTION

On this \_\_\_\_ day of \_\_\_\_\_, 19\_\_ , before me, a Notary Public in and for the County of \_\_\_\_\_, in the State of \_\_\_\_\_, appeared \_\_\_\_\_ to me personally known who, being by me duly sworn, did say that he/she is \_\_\_\_\_ of \_\_\_\_\_ the Issuing Institution named in and which executed the within instrument, and that the seal affixed to said instrument is the corporation seal of said Issuing Institution, and that said instrument was signed, sealed and delivered in behalf of said corporation by authority of its Board of Directors, and he/she, as such officer, acknowledged said instrument to be the free act and deed of said corporation for the uses and purposes of said instrument as therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day, month, and year aforesaid.

My Commission Expires: \_\_\_\_\_  
Notary Public in and for said  
County and State

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

SELF-BOND AGREEMENT

Know all men by these presents, that the undersigned, \_\_\_\_\_

\_\_\_\_\_ (State name and form of business organization of the Permit Application) duly authorized to do business in the State of \_\_\_\_\_

AS PRINCIPAL, is held firmly bound unto the United States, Office of Surface Mining Reclamation and Enforcement, in the sum of \_\_\_\_\_

(\$ \_\_\_\_\_), lawful money of the United States of America, to be paid to the United States - Office of Surface Mining Reclamation and Enforcement upon order of forfeiture by an authorized representative of the Office of Surface Mining Reclamation and Enforcement, pursuant to 30 CFR 800.50. For the payment of said sum, well and truly to be made, we hereby jointly and severally bind ourselves, our heirs, executors, administrators, successors, and assigns.

Whereas, the Office of Surface Mining Reclamation and Enforcement issued Permit to Mine Number(s) \_\_\_\_\_ and dated \_\_\_\_\_, and revisions(s) numbered \_\_\_\_\_ and dated \_\_\_\_\_ pursuant to the application of the Principal.

Whereas, (check one of the following):

- (a) \_\_\_\_\_ This is an original agreement.
- (b) \_\_\_\_\_ This is an agreement in addition to previous bond agreement(s) for the above referenced permit(s) to mine and which agreement(s) remain(s) in full force and effect
- (c) \_\_\_\_\_ This is a replacement agreement for:

1. Bond Number \_\_\_\_\_ Principal \_\_\_\_\_  
 Surety \_\_\_\_\_ Dated \_\_\_\_\_

2. Bond Number \_\_\_\_\_ Principal \_\_\_\_\_  
 Surety \_\_\_\_\_ Dated \_\_\_\_\_

3. Bond Number \_\_\_\_\_ Principal \_\_\_\_\_  
 Surety \_\_\_\_\_ Dated \_\_\_\_\_



Self-Bond No. \_\_\_\_\_

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to the Office of Surface Mining Reclamation and Enforcement has been submitted to replace this obligation.

The principal herein further understands and agrees that the procedures for the adjustment of the amount under this bond are specified in 30 CFR 800.15; that procedures governing the release of all or part of this bond are specified in 30 CFR 800.40; and that the procedures for the forfeiture of this bond are specified in 30 CFR 800.50.

NOW, THEREFORE, the conditions of this obligation are such that if the said principal herein shall comply with the terms and conditions of said permit, revisions, and renewals thereto, the provisions of and obligations imposed by the Surface Mining Control and Reclamation Act and any amendments thereto, then the release of this obligation shall proceed as specified in 30 CFR 800.40.

The principal herein further agrees that this bond is posted to insure the permittee's performance upon all acres specified in the above permit. Upon bond forfeiture pursuant to 30 CFR 800.50, all bond or bonds which continue to be held by the Office of Surface Mining Reclamation and Enforcement for all bonding within the above permit may be forfeited and the forfeited bond or bond increments may be used by the Office of Surface Mining Reclamation and Enforcement to complete the reclamation plan or a modified plan for any or all acres in the above permit and to cover associated administrative expenses.

The principal herein further agrees and understands that this self-bond may continue to remain in full force and effect as long as all information required by 30 CFR 800.23(f) is submitted within ninety (90) days after the close of each fiscal year following the issuance of the self-bond to the Office of Surface Mining Reclamation and Enforcement, and demonstrates the principal and/or guarantor remains qualified. The failure by the principal to file this information in a timely manner shall in no manner impinge upon or prejudice the rights held by the United States under this Agreement. Further, this agreement remains in full force and effect until released or substituted in accordance with the requirements of the Surface Mining Control and Reclamation Act.

The principal herein further agrees and understands that the authorized representative of the Secretary may require a substitution of this self-bond by a good, corporate surety licensed to do business in the State of \_\_\_\_\_, or other form of bond allowed by 30 CFR 800.12 (a), (b), or (d).

Self-Bond No. \_\_\_\_\_

Illustration 15  
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In witness whereof, we, the said parties, have set our hand and seals.

PRINCIPAL

Signed and executed this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_

BY: \_\_\_\_\_ BY: \_\_\_\_\_

TITLE: \_\_\_\_\_ TITLE: \_\_\_\_\_

State of \_\_\_\_\_ )  
County of \_\_\_\_\_ ) SS.

ALL APPLICABLE CORPORATE ACKNOWLEDGEMENTS ARE ATTACHED HERETO AS PART OF THIS AGREEMENT.

This foregoing instrument was acknowledged by me \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

Witness my hand and official seal. \_\_\_\_\_  
(Notary Public or other authorized officer)

My Commission Expires: \_\_\_\_\_

RESIDENT AGENT FOR SERVICE

Resident Agent: \_\_\_\_\_ Date: \_\_\_\_\_

Address: \_\_\_\_\_

Approved as to form and execution:

BY: \_\_\_\_\_ Date: \_\_\_\_\_

APPROVED: \_\_\_\_\_ Date: \_\_\_\_\_

SELF-BONDING INDEMNITY AGREEMENT

Permit No. \_\_\_\_\_  
Self-Bond No. \_\_\_\_\_

THIS AGREEMENT OF INDEMNITY, by and between the United States, Office of Surface Mining Reclamation and Enforcement, (hereinafter referred to as OSMRE), as indemnitee, and \_\_\_\_\_, duly authorized to do business in the State of \_\_\_\_\_, as indemnitor, (hereinafter referred to as the "Operator");

WHEREAS, Operator has filed with OSMRE an application to self-bond in compliance with 30 USC 1259 et. seq., and the rules and regulations promulgated thereunder, in connection with Operator's Mining Permit No. \_\_\_\_\_;

WHEREAS, Operator has satisfied the self-bonding requirements and criteria set by OSMRE;

WHEREAS, Operator desires to indemnify OSMRE from all loss and costs associated with its self-bond No. \_\_\_\_\_;

WHEREAS, Operator has the full authority under the laws of the State of \_\_\_\_\_, under which it is incorporated, its articles of incorporation and bylaws to enter into this Indemnity Agreement;

WHEREAS, Operator has full approval from its Board of Directors to enter into this Indemnity Agreement;

WHEREAS, it is in the best interests of Operator, in the legitimate furtherance of its purposes and business, to enter into this Indemnity Agreement;

WHEREAS, OSMRE, has the legal authority to administer the bonding requirements for coal mine operations in the State of \_\_\_\_\_;

NOW THEREFORE, effective upon the execution of this agreement by both parties, for value received, and in consideration of the approval and execution of self-bond, number \_\_\_\_\_, it is agreed by and between the Operator and OSMRE as follows:

- I. Operator, their successors and assigns, jointly and severally do hereby covenant and agree to indemnify OSMRE from and against any and all demands, liabilities, charges, costs, and expenses of whatsoever kind or nature, which OSMRE may sustain or incur in

consequence of the failure by the Operator to faithfully perform all the requirements of the Surface Mining Control and Reclamation Act (SMCRA) and any amendments thereto, OSMRE regulations and amendments thereto, and applicable federal laws and regulations as they apply to mining operations under the aforesaid mining permit No. \_\_\_\_\_ and the mining and reclamation plans approved therewith. With the exception of litigation costs as referenced in paragraph VI, Operator's liability hereunder shall not exceed the principal amount set forth in Operator's self-bond No. \_\_\_\_\_.

- II. Upon this agreement becoming effective, OSMRE shall deliver and execute, as necessary, to the Operator, any and all documents and forms needed to allow the Operator to release any existing bonds, letters of credit, certificates of deposit, cash or government securities that are being replaced by this self-bond and self-bonding indemnity agreement.
- III. This indemnity agreement is continuous and is to be in full force and effect until all of the terms of the operator's self-bond have been satisfactorily performed or otherwise discharged to the satisfaction of OSMRE.
- IV. Operator hereby fully consents and agrees that any of the following shall not affect nor change or discharge the obligations of this indemnity agreement:
  1. Any renewals, revisions, modifications or riders to the terms of the self-bond, number \_\_\_\_\_, including increases or decreases in the dollar amount of the bond, or the lands to which it applies, in accordance with the requirements of the Surface Mining Control and Reclamation Act and the rules and regulations promulgated thereunder.
  2. Any extension of time for performance of the whole or any part of the conditions of the self-bond, number \_\_\_\_\_.



3. Any changes, revisions, modifications or renewals to the terms of the permit, number \_\_\_\_\_ including the mining and reclamation plans contained therein.
- V. If in the OSMRE's opinion the operator has refused or is unable to conduct reclamation of an unabated violation, or if the terms of permit No. \_\_\_\_\_, are not met, or if the operator defaults on the conditions under which this bond is accepted, OSMRE may institute bond forfeiture proceedings against the Operator in accordance with the forfeiture proceedings set forth in 30 CFR 800.50.

In the event an order of forfeiture is entered by an authorized representative of OSMRE against Operator requiring the forfeiture of all or any part of the self-bond, OSMRE will mail to Operator written demand for payment of the amount of the self-bond which was so ordered forfeited and Operator shall pay such amount in full to the indemnitee making the demand in immediately available federal funds, within ten (10) business days after receipt of such demand. Payment shall be made to such bank account as OSMRE shall specify in the demand notice to Operator. If such order is vacated, reversed, or otherwise made unenforceable by court or administrative agency of competent jurisdiction, any amount previously paid to OSMRE by Operator hereunder shall be refunded to Operator in full within thirty (30) business days after receipt of a certified copy of the ruling, order or other action by such court or administrative agency. Any refund to Operator by OSMRE shall be in immediately available federal funds and shall be made to such bank account as Operator may specify in writing to the Department.

- VI. In the event OSMRE initiates, pursues or is brought into litigation, as a result of attempts to enforce bonding requirements under this indemnity agreement, the Operator agrees to pay all litigation costs incurred by OSMRE in any successful effort to enforce this agreement against the Operator with respect to the operations or activity for which this agreement is made. This agreement pertains to all costs reasonably connected to the operation or activity for which this agreement is made. This agreement pertains to all costs reasonably connected to the litigation costs and all administrative costs reasonably incurred in the course of enforcing or in preparation to enforce the rules and regulations for self-bonding against the Operator with respect to the operation or activity for

which this agreement is made. Liability for payment of litigation costs shall not be limited by the principal amount of the Operator's self-bond. Operator agrees that vouchers or other proper evidence showing payment shall be conclusive evidence of the fact and amount of liability of such costs.

- VII. This agreement shall be deemed terminated in whole or in part; (a) when and as OSMRE certifies in writing to the Operator that Operator has successfully completed as required by the Surface Mining Control and Reclamation Act and any amendments thereto, and applicable federal laws and regulations, the mining and reclamation activities pursuant to Mining Permit No. \_\_\_\_\_, for which this agreement is posted; or (b) when and as OSMRE certifies in writing to the operator that the operator has provided an acceptable corporate surety bond, letter of credit or other security complying with 30 CFR 800.12 in substitution for this agreement; or (c) when OSMRE otherwise authorizes release of this agreement in whole or in part to the Operator pursuant to the Surface Mining Control and Reclamation Act and the rules and regulations promulgated thereunder.

Operator shall have the right at any time to post a corporate surety bond, letter of credit or other securities complying with 30 CFR 800.12 in substitution for and release of all or part of this agreement. Operator shall notify OSMRE in writing of any such substitution, and OSMRE shall notify the Operator in writing of the acceptability of any such substitution. Said substitution shall not be valid and effective until OSMRE certifies such in writing.

- VIII. There are no conditions or limitations to this indemnity agreement except those contained herein at the date hereof, and thereafter no alteration, change or modification hereof shall be binding or effective unless executed in writing, signed by the Operator, and approved by OSMRE.
- IX. Operator agrees to pay all costs and expenses incurred by OSMRE which are expended in any successful action instituted to enforce the terms of this indemnity agreement.
- X. This indemnity agreement shall be good and effective notwithstanding any change or changes in the business name

of the Operator.

- XI. No changes, revisions, modifications or renewals to the self-bond of the Operator or the terms of permit number \_\_\_\_\_ shall act as a release of the Operator from this indemnity agreement.
- XII. All notices required to, or which may be given shall be effective when received by the addressees at the addresses specified below.
1. For the Operator:
  
  
  2. For OSMRE:  
  
U.S. Department of the Interior  
Office of Surface Mining Reclamation and Enforcement
- Personal delivery shall have the same effect as notice given by mail. Notices given by mail shall be sent certified.
- XIII. In case of the insolvency, bankruptcy or dissolution of the Operator, all funds represented by the self-bond shall immediately become due and payable.
- XIV. The failure of any person or persons to sign this indemnity agreement shall not release or affect the liability of the Operator.
- XV. This indemnity agreement is a binding contract and shall be construed under and subject to the laws of the United States of America.
- XVI. This agreement, together with the application for self-bonding applicable to Mining Permit No. \_\_\_\_\_, contain the entire agreement of the parties hereto with respect to indemnification.
- XVII. If permitted under the laws of the State where Operator's mine operation is located, this indemnity agreement when under forfeiture shall operate as a judgement against those parties liable under this indemnity agreement.



Self-Bond No. \_\_\_\_\_

Illustration 16  
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XXI. EXECUTION BY GUARANTORS:

\_\_\_\_\_  
GUARANTOR

BY: \_\_\_\_\_ TITLE: \_\_\_\_\_

BY: \_\_\_\_\_ TITLE: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

THE STATE OF: \_\_\_\_\_ )

COUNTY OF: \_\_\_\_\_ )

SS.

The foregoing instrument was acknowledged, subscribed and sworn  
to before me this \_\_\_\_\_ day of \_\_\_\_\_,  
19\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC

\_\_\_\_\_  
My Commission Expires:

XX. CORPORATE ACKNOWLEDGEMENTS:

Attached and incorporated herein as Exhibit B.

\_\_\_\_\_

Self-Bond No. \_\_\_\_\_

Illustration 16  
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XXIII. EXECUTION BY OSMRE

In witness whereof, this Agreement is dated and effective as of  
\_\_\_\_\_, 19\_\_.

U.S. OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

BY: \_\_\_\_\_  
OSMRE Authorized Representative

DATE: \_\_\_\_\_

The foregoing instrument was acknowledged, subscribed and sworn  
to before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

Witness my hand and official seal.

\_\_\_\_\_  
NOTARY PUBLIC

\_\_\_\_\_  
My Commission Expires:

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

SELF-BOND CORPORATE GUARANTEE

WITNESSETH

Permit No. \_\_\_\_\_  
Self-Bond No. \_\_\_\_\_

WHEREAS \_\_\_\_\_  
(hereinafter referred to as Guarantor),

WHEREAS Guarantor satisfies the financial requirements and criteria set by the Office of Surface Mining Reclamation and Enforcement (OSMRE) rules and regulations;

WHEREAS Operator has requested and desires to place with OSMRE its self-bond to secure reclamation obligations;

WHEREAS Guarantor desires to guarantee the funds pledged under self-bond of \_\_\_\_\_, the Operator;

WHEREAS Guarantor has the full authority under the laws of the State of \_\_\_\_\_, under which it is incorporated, its articles of incorporation and bylaws to enter into this guarantee;

WHEREAS Guarantor has full approval from its Board of Directors to enter into this guarantee;

WHEREAS it is in the best interests of Guarantor, in the legitimate furtherance of its purposes and business, to enter into this guarantee;

WHEREAS OSMRE, pursuant to the Surface Mining Control and Reclamation Act, has the legal authority to administer the bonding requirements for mine operations in the State of \_\_\_\_\_.

I. NOW, for value received, and in consideration of the approval and execution of self-bond number \_\_\_\_\_, Guarantor, a corporation created and existing under the laws of the State of \_\_\_\_\_, its successors and assigns, jointly and severally, do hereby covenant, guarantee, promise and agree to make prompt payment upon demand of the full amount, or portions thereof as requested by OSMRE, of the self-bond of Operator, self-bond no. \_\_\_\_\_, on the terms and conditions described herein, said payment of monies to be used for the reclamation of all lands affected under permit \_\_\_\_\_ in accordance with the provisions and requirements of 30 CFR 800.23, and the Surface Mining Control and Reclamation Act and any amendments hereto, with applicable Federal laws and regulations, and the terms and conditions of



the permit. This guarantee covers any and all demands, liabilities, charges, and expenses of whatsoever kind of nature, which OSMRE may at any time sustain or incur by reason of or in consequence of having accepted the self-bond of Operator, including all litigation costs and all administrative costs reasonably incurred by OSMRE in any effort to enforce obligations and requirements of the operator with respect to the operation or activity that is bonded.

- II. This guarantee is a continuing guarantee and is to be in full force and effect until all of the terms of Operator's self-bond have been satisfactorily performed or otherwise discharged to the satisfaction of OSMRE.
- III. Guarantor hereby fully consents to the following, any of which shall not affect nor change or discharge the obligations of this guarantee:
  - 1. Any renewals, revisions, modifications to the terms of the self-bond, number \_\_\_\_\_, including increases or decreases in the dollar amount of the bond, or the lands to which it applies, in accordance with the requirements of the Surface Mining Control and Reclamation Act and the rules and regulations promulgated thereunder.
  - 2. Any extension of time for performance of the whole or any part of the conditions of the self-bond, number \_\_\_\_\_.
  - 3. Any changes, revisions, modifications or renewals to the terms of the permit, number \_\_\_\_\_, including the mining and reclamation plans contained therein.
- IV. Guarantor expressly waives the following:
  - 1. Notice of the acceptance of this guarantee by OSMRE.
  - 2. Notice of renewals, revisions, modifications to the self-bond number \_\_\_\_\_.
  - 3. Notice of changes, revisions, modifications or renewals to the terms of the permit of the Operator, permit number \_\_\_\_\_.
  - 4. Notice of any extensions of time for performance of the whole or any part of the condition of the self-bond, number \_\_\_\_\_.
  - 5. Notice of bond forfeiture proceedings, notice of any demand for payment of self-bond; or, any dishonor thereof.

6. All other notices to which Guarantor might otherwise be entitled in connection with this guarantee or the obligation hereby guaranteed.
  7. The institution of any civil actions or the exhaustion of legal remedies against the Operator as a condition to enforcement of this guarantee.
  8. It is understood that any notice provided by the United States of America to the Guarantor shall not constitute a release or modification of the above waivers.
- V. This guarantee is subject to the following conditions, to wit:
1. Any demand for funds shall be accompanied by a signed statement that the Office of Surface Mining Reclamation and Enforcement has forfeited, in whole or in part, the self-bond, number \_\_\_\_\_, and one copy of the order of forfeiture is attached.
  2. This guarantee shall be limited in amount as follows:
    - a. Reclamation costs: the indebtedness reflected by the approved self-bond existing at the time of bond forfeiture by OSMRE.
    - b. Litigation and administrative costs: the actual amount of such costs reasonably incurred in any successful effort to enforce requirements and obligations of the Operator and/or the obligations of the Guarantor under this agreement. Litigation and administrative costs shall not be limited by the indebtedness reflected by the approved self-bond.
  3. If the Operator fails to complete the reclamation as required by the Surface Mining Control and Reclamation Act and any amendments thereto, and the terms and conditions of the permit, the Guarantor shall be required to complete the approved reclamation plan for the lands in default or to pay to OSMRE the amount in full necessary to complete the approved reclamation plan, not to exceed the bond amount, within ten (10) business days after receipt of OSMRE's demand for payment. Guarantor hereby agrees that demands for payment may be based and are payable on projections of costs or their actual accrual and that liability for payment shall not be contingent on the costs having been presently sustained.

4. This guarantee may be cancelled only upon notice of said cancellation being sent to the Operator and OSMRE at least ninety (90) days in advance of the proposed cancellation date and then only upon acceptance of the cancellation by OSMRE. The cancellation shall be accepted by OSMRE if the Operator obtains a suitable replacement bond before the proposed cancellation date and then only if the lands for which the self-bond, or portion thereof, was accepted have not and will not be disturbed under the terms of the permit, or the self-bond has been released in accordance with the provisions of the Surface Mining Control and Reclamation Act and the rules and regulations promulgated thereunder.
  
- VI. This guarantee shall be and continue effective notwithstanding any present or future legal disability of the Operator.
  
- VII. There are no conditions or limitations to this guarantee except those contained herein at the date hereof, and thereafter no alteration, change or modification hereof shall be binding or effective unless executed in writing, signed by the guarantor, and approved by OSMRE.
  
- VIII. Guarantor agrees to pay all costs and expenses incurred by OSMRE which are expended in any successful action instituted to enforce the terms of this guarantee.
  
- IX. This guarantee shall be good and effective notwithstanding any change or changes in the business name of the Operator.
  
- X. No changes, revisions, modifications or renewals to the self-bond of the Operator or the terms of permit number \_\_\_\_\_ shall act as a release of the Guarantor from this guarantee.
  
- XI. All notices required to, or which may be given shall be effective when received by the addressees at the addresses specified below:
  1. For the Guarantor:
  2. For OSMRE:

U.S. Department of the Interior  
Office of Surface Mining Reclamation and Enforcement  
Personal delivery shall have the same effect as notice given by mail. Notices given by mail shall be sent certified.

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- XII. In case of the insolvency, bankruptcy or dissolution of the Operator, all funds represented by the self-bond shall immediately become due and payable and this guarantee may thereupon be enforced.
- XIII. This guarantee is one of payment and not of collection.
- XIV. The failure of any person or persons to sign this guarantee shall not release or affect the liability of Guarantor.
- XV. This guarantee is binding contract and shall be construed under and subject to the laws of the United States of America.

XVI. SIGNATURES OF GUARANTOR:

BY: \_\_\_\_\_ TITLE: \_\_\_\_\_

BY: \_\_\_\_\_ TITLE: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
 ) SS.  
 COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged, subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

Witness my hand and official seal.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_

XVII. Corporate Acknowledgements:

Attach and incorporate herein as Exhibit A.

\_\_\_\_\_

Self-Bond No. \_\_\_\_\_

Illustration 17  
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XVIII. OSMRE-AUTHORIZED REPRESENTATIVE SIGNATURE:

BY: \_\_\_\_\_ Date: \_\_\_\_\_

OSMRE-Authorized Representative and Title

The foregoing instrument was acknowledged and subscribed to before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

Witness my hand and official seal.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_

Permit No. \_\_\_\_\_

Illustration 18  
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United States Department of the Interior  
Office of Surface Mining Reclamation and Enforcement  
RECLAMATION PERFORMANCE BOND INCREASE/DECREASE RIDER

To be attached to and form a part of Surety Company Bond No.  
\_\_\_\_\_ written by \_\_\_\_\_  
AS SURETY, on behalf of \_\_\_\_\_  
AS PRINCIPAL, in the sum of \_\_\_\_\_  
DOLLARS (\$\_\_\_\_\_), in favor of the United States, Office of  
Surface Mining Reclamation and Enforcement (OSMRE) and executed on  
\_\_\_\_\_

Whereas, the OSMRE issued permit to Mine number \_\_\_\_\_ and  
dated on \_\_\_\_\_, and renewals and revisions numbered and dated  
\_\_\_\_\_ pursuant to the application of the Principal,

Whereas, said bond and rider shall cover any and all land  
affected or to be affected by the mining operation under the above  
mentioned permit and revisions and renewals since the date of the  
issuance of the permit,

Now, therefore, the amount of the bond is increased/decreased  
by \_\_\_\_\_ Dollars (\$\_\_\_\_\_), to a total sum  
of \_\_\_\_\_ Dollars (\$\_\_\_\_\_),  
to cover the additional/reduced cost of reclaiming all affected  
lands. It is further understood and agreed that all other terms and  
conditions of this bond shall remain unchanged.

PRINCIPAL

Signed and executed this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_:

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_ (Corporate

State of \_\_\_\_\_ ) Seal)

County of \_\_\_\_\_ )SS.

The foregoing instrument was acknowledged before me by \_\_\_\_\_

this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

Witness my hand and official seal. \_\_\_\_\_

(Notary Public or other  
authorized officer)

My Commission Expires: \_\_\_\_\_

---

SURETY

Signed and executed this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_:

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

State of \_\_\_\_\_ )

County of \_\_\_\_\_ )SS.

Permit No. \_\_\_\_\_

Illustration 18  
(Page 3 of 3)

The foregoing instrument was acknowledged before me by \_\_\_\_\_

\_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

Witness my hand and official seal.

\_\_\_\_\_  
(Notary Public or other  
authorized officer)

My Commission Expires: \_\_\_\_\_

---

RESIDENT AGENT FOR SERVICE

Resident Agent: \_\_\_\_\_ Date: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name) Address: \_\_\_\_\_



Permit No. \_\_\_\_\_

Illustration 19  
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United States Department of the Interior  
Office of Surface Mining Reclamation and Enforcement  
RECLAMATION PERFORMANCE BOND GENERAL PURPOSE RIDER

To be attached to and form a part of Surety Company Bond No.  
\_\_\_\_\_ written by \_\_\_\_\_

AS SURETY, on behalf of \_\_\_\_\_

AS PRINCIPAL, in the sum of \_\_\_\_\_

DOLLARS (\$\_\_\_\_\_), in favor of the United States, Office of  
Surface Mining Reclamation and Enforcement (OSMRE) and executed on  
\_\_\_\_\_.

Whereas, the OSMRE issued Permit to Mine number \_\_\_\_\_ and  
dated on \_\_\_\_\_, and renewals and revisions numbered and dated  
\_\_\_\_\_ pursuant to the application of the Principal,

Whereas, said bond and rider shall cover any and all land  
affected or to be affected by the mining operation under the above  
mentioned permit and revisions and renewals since the date of the  
issuance of the permit,

Now, therefore, the purpose of this rider is:

It is further agreed that all other terms and conditions of  
this bond shall remain unchanged.

Permit No. \_\_\_\_\_

Illustration 19  
(Page 2 of 3)

PRINCIPAL

Signed and executed this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_:

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_ (Corporate

State of \_\_\_\_\_ ) Seal)

County of \_\_\_\_\_ ) SS.

The foregoing instrument was acknowledged before me by \_\_\_\_\_

this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

Witness my hand and official seal. \_\_\_\_\_

(Notary Public or other  
authorized officer)

My Commission Expires: \_\_\_\_\_

SURETY

Signed and executed this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_:

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

State of \_\_\_\_\_ )

County of \_\_\_\_\_ ) SS.

Permit No. \_\_\_\_\_

Illustration 19  
(Page 3 of 3)

The foregoing instrument was acknowledged before me by \_\_\_\_\_  
\_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

Witness my hand and official seal. \_\_\_\_\_  
(Notary Public or other  
authorized officer)

My Commission Expires: \_\_\_\_\_

RESIDENT AGENT FOR SERVICE

Resident Agent: \_\_\_\_\_ Date: \_\_\_\_\_  
(Signature)

\_\_\_\_\_ Address: \_\_\_\_\_  
(Printed Name)



L/C number: \_\_\_\_\_ Permit No.: \_\_\_\_\_

Upon receipt by you of such notice, you may draw on us at sight for the amount of this Letter of Credit beginning 30 days or less prior to the then applicable expiration date, accompanied by a statement signed by OSMRE's Bond Approving Officer certifying that the amount of the drawing represents funds due the United States of America because the permittee has failed to replace this Letter of Credit with other suitable bond pursuant to 30 C.F.R. 800.21(b)(2) and 30 C.F.R. 800.30.

We certify that the amount of the credit herein established will not be reduced for any reason during the period of this instrument without the written consent of OSMRE.

We will give prompt notice to the permittee and to OSMRE's Bond Approving Officer of any notice received or action filed alleging the insolvency or bankruptcy of the Bank, or alleging any violations of regulatory requirements which could result in suspension or revocation of the Bank's charter or license to do business.

In the event the Bank becomes unable to fulfill our obligations under this Letter of Credit for any reason, notice shall be given immediately to the permittee and to OSMRE's Bond Approving Officer.

IN WITNESS WHEREOF, the Bank has hereunto set its signature and seal this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_.

\_\_\_\_\_  
(Issuing Bank)  
\_\_\_\_\_  
(Authorized Officer)

ACKNOWLEDGEMENT

On this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, before me, a Notary Public in and for the County of \_\_\_\_\_, in the State of \_\_\_\_\_, appeared \_\_\_\_\_ to me personally known who, being by me duly sworn, did say that he/she

is \_\_\_\_\_ of \_\_\_\_\_, the bank named in and which executed the within instrument, and that the seal affixed to said instrument is the seal of said Bank, and that said instrument was signed, sealed and delivered in behalf of said Bank by authority of its Board of Directors, and he/she, as such offer, acknowledged said instrument to be the free act and deed of said Bank for the uses and purposes of said instrument as therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on  
the day, month and year aforesaid.

My Commission Expires: \_\_\_\_\_  
\_\_\_\_\_ Notary Public in and for said  
County and State

United States Office of Surface Mining  
Reclamation and Enforcement

TRUST DEED

THIS INDENTURE, made and entered on this \_\_\_\_\_, \_\_\_\_\_, between \_\_\_\_\_ herein referred to as the Grantor, the Office of Surface Mining Reclamation and Enforcement (OSMRE), United States Department of the Interior, herein referred to as the Trustee, and the United States of America, herein referred to as the Beneficiary.

WITNESSETH: A first mortgage deed of trust granting the OSMRE a security interest in the Real Property described below, with a right to sell or otherwise dispose of the property in the event of a forfeiture under 30 CFR 800.50, is hereby given to OSMRE as collateral by the Grantor. The OSMRE security interest in the property shall be in the amount of \$ \_\_\_\_\_ and shall be for the purpose of securing the cost of the Grantor's reclamation obligations under Permit No. \_\_\_\_\_.

(Description of Real Property covered by deed of trust.)

The above described real property, consisting of \_\_\_\_\_ acres in the aggregate, more or less, was conveyed to the Grantor, \_\_\_\_\_, by warranty deed from \_\_\_\_\_ as evidenced by being recorded in Book \_\_\_\_\_, Page \_\_\_\_\_ of \_\_\_\_\_, in the records of \_\_\_\_\_ County Clerk's Office.

To have and to hold said real estate to the Trustee in trust for the purposes hereinafter set forth.

The Grantor covenants with the Trustee that it is lawfully seized in fee simple of the real estate above conveyed, has full power, right and authority to convey same, that said real estate is free from all encumbrances, and that it will forever warrant and defend it and the legal title thereto against the lawful claims of all persons whomsoever.

The Grantor shall not sell or encumber any portion or interest of the real estate covered by the deed of trust.

The Grantor agrees to pay all taxes assessed on the real estate as they become due and owing and to adduce proof of the payment of same by providing Trustee with a copy of the paid receipt with thirty (30) days of paying of same.

The Grantor agrees not to commit waste of any sort.

In the event the Grantor fails to comply with any of the foregoing conditions, then the Trustee shall be entitled to foreclose upon the real estate.

This conveyance is made in trust to the trustee for the following uses and purposes and none other.

As a bond to secure reclamation under the Laws and Regulations of the United States Department of the Interior, Office of Surface Mining Reclamation and Enforcement under Application No. \_\_\_\_\_, Permit No. \_\_\_\_\_, in the amount of \$ \_\_\_\_\_.

In the event the bond secured hereby is forfeited, or in the event any of the covenants, undertakings or premise conditions, set out herein be breached or not performed, then the Trustee shall, after giving notice of the time and place of sale by certified mail to Grantor, or by weekly publication in some newspaper published in \_\_\_\_\_ County, \_\_\_\_\_, at least twenty (20) days previous to said sale, and on the day and at the time and place designated in the notice, sell the property above conveyed at public auction to the highest bidder for cash in hand in bar of the right and equity of redemption, which is hereby waived and surrendered, and all other rights which Grantor might have in said property. The Trustee shall apply the proceeds from the sale as follows:

1. to the payment of all costs and expenses of the sale, including a fee of 10 percent to the trustee, which fee shall become absolutely due and payable whenever foreclosure is commenced;
2. to the reclamation of Permit No. \_\_\_\_\_ hereby secured and any taxes unpaid or that are a lien on the property at the date of the sale; and
3. the surplus, if any, to the Grantor.

The Grantor further agrees that in case of sale of the above described property that it will at once become and be a tenant at will of the purchaser, and will surrender the possession thereof on demand. If such possessions be not given, then Grantor may be removed by a forcible and unlawful detainer action and the Grantor agrees to pay the purchaser the reasonable rental value



of the property from the date of sale for as long as they shall be in possession thereof.

Any of the parties hereto may bid and become the purchaser at any sale hereunder.

The failure of the Trustee to have this deed of trust foreclosed immediately upon any default provided herein shall not be construed so as to preclude foreclosure as a later date for such default if same still exists at the time and shall not be construed so as to prevent foreclosure for similar subsequent default.

IN WITNESS WHEREOF, the Grantor has hereunto set its hand at the place and on the date first above written.

\_\_\_\_\_  
State of \_\_\_\_\_

County of \_\_\_\_\_

On this \_\_\_\_ day of \_\_\_\_\_, A.D. 19 \_\_. before me personally appeared \_\_\_\_\_, to me known to be the [\_\_\_\_\_ president, vice president, secretary, treasurer, or other authorized office or agent, as the case may be] of the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written:

\_\_\_\_\_  
Notary Public in and  
for the State  
residing at \_\_\_\_\_

United States Office of Surface Mining  
Reclamation and Enforcement

ESCROW AGREEMENT

THIS AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_, by and between the United States, Office of Surface Mining Reclamation and Enforcement, ( herein called "OSMRE"), the \_\_\_\_\_, a National Banking Association (herein called "Bank"), and the \_\_\_\_\_, (herein called "Operator");

WITNESSETH:

WHEREAS, Operator has heretofore filed with OSMRE a \_\_\_\_\_ issued by \_\_\_\_\_ in compliance with the provisions of the Surface Mining Control and Reclamation Act of 1977 (SMCRA), and the rules and regulations adopted pursuant to that Act, in connection with Operator's Mining Permit No. \_\_\_\_\_; WHEREAS, pursuant to provisions of 30 CFR 800.21(d), Operator desires to deposit into escrow Cash having a value of \$\_\_\_\_\_, Cash meaning lawful currency of the United States of America, and WHEREAS, Operator desires to engage Bank as a depository and escrow agent for the purpose of taking custody of such Cash;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and the mutual benefits derived hereunder, it is agreed by and between the parties as follows:

1. Upon execution of this agreement by the parties, Operator shall deposit with the Bank, \_\_\_\_\_ having a face value of \$ \_\_\_\_\_. Upon the Bank's receipt of custody of such Cash from the Operator, it shall confirm such receipt in writing to OSMRE.

2. Such Cash shall be held by the Bank for the purpose of assuring to OSMRE that the Operator shall faithfully perform all the reclamation requirements specified in the mining and reclamation plan or plans approved under Mining Permit No. \_\_\_\_\_.

3. The parties hereto recognize that OSMRE will periodically review the Operator's mining operation and may from time to time require increases in the reclamation bond amount. The parties specifically agree that Operator may from time to time, as required by OSMRE, increase the amount of Cash or bond to conform with the requirements of OSMRE without the execution by all parties of a further agreement to reflect increases in bond

amount. Operator may, upon receipt of proper notice from OSMRE, increase the amount of escrowed Cash to conform with OSMRE requirements upon written notice to OSMRE and Bank; all additional Cash so escrowed and any increase in bond amounts shall be subject to all terms, conditions and provisions of this Escrow Agreement.

4. The Bank shall receive all interest or income on such Cash and shall pay such interest or income as and when received to Operator, in care of or as otherwise directed by Operator in writing. The Bank shall not invest any portion of the funds in its possession or control.

5. Upon receipt by OSMRE of Bank's written confirmation that said Cash has been deposited by Operator, the OSMRE shall execute and deliver to Operator, if desired, any and all necessary documents and forms to allow Operator in its sole discretion to cancel or terminate any bond being replaced by this Escrow Agreement, pursuant to 30 CFR 800.30.

6. In the event Operator violates the SMCRA, or any rules and regulations promulgated thereunder, as the same applies to the reclamation requirements of Permit No. \_\_\_\_\_ and fails to remedy or correct such violations, OSMRE shall institute forfeiture

proceedings against Operator in accordance with 30 CFR 800.50, and any implementing procedures.

Written notice of the forfeiture proceedings shall be furnished to the Bank by OSMRE.

Upon receipt of certified and authenticated notice from OSMRE showing, 1) the amount of bond declared forfeited; 2) that all legal or administrative remedies available to Operator have been waived or exhausted and no action, proceeding or appeal is pending thereon; and 3) that a final order of forfeiture has been entered, the Bank shall surrender to OSMRE the requested portion of the Cash in its possession.

In the event the Bank shall for any reason fail, refuse or neglect to surrender the requested amount of the Cash to OSMRE within ten (10) calendar days after receipt of notice of forfeiture and demand for payment as hereinabove provided, the Operator agrees in such an event or events to, 1) hold OSMRE free, harmless and indemnified of and from any cost, expense or loss, actually incurred by reason of such refusal, including but not limited to court costs and attorney's fees, and 2) to pay unto OSMRE interest on the amount of the Cash required to be surrendered at the highest legal rate authorized by United States law computed from the date on which said Cash was required to be surrendered to and including the date on which such Cash deposits are actually received by OSMRE.

proceedings against Operator in accordance with 30 CFR 800.50, and any implementing procedures.

Written notice of the forfeiture proceedings shall be furnished to the Bank by OSMRE.

Upon receipt of certified and authenticated notice from OSMRE showing, 1) the amount of bond declared forfeited; 2) that all legal or administrative remedies available to Operator have been waived or exhausted and no action, proceeding or appeal is pending thereon; and 3) that a final order of forfeiture has been entered, the Bank shall surrender to OSMRE the requested portion of the Cash in its possession.

In the event the Bank shall for any reason fail, refuse or neglect to surrender the requested amount of the Cash to OSMRE within ten (10) calendar days after receipt of notice of forfeiture and demand for payment as hereinabove provided, the Operator agrees in such an event or events to, 1) hold OSMRE free, harmless and indemnified of and from any cost, expense or loss, actually incurred by reason of such refusal, including but not limited to court costs and attorney's fees, and 2) to pay unto OSMRE interest on the amount of the Cash required to be surrendered at the highest legal rate authorized by United States law computed from the date on which said Cash was required to be surrendered to and including the date on which such Cash deposits are actually received by OSMRE.

7. This agreement shall be deemed terminated in whole or in part: 1) when and as OSMRE certifies in writing to the Bank that the Operator has successfully completed of the requirements of the surface mining and reclamation activities required under Permit No. \_\_\_\_\_, for which the Cash was posted; 2) when and as OSMRE certifies in writing to the Bank that the Operator has provided a corporate surety bond, collateral or self-bond, in substitution for and release of the Cash; or 3) when OSMRE otherwise authorizes release of the Cash in whole or part to the Operator.

Until this agreement is terminated in whole or part, the Bank shall not release, assign, transfer or deliver any of the Cash to Operator; or to any other party, PROVIDED, HOWEVER, Operator shall have the right at any time to post a corporate surety bond, collateral bond or, if qualified, a self-bond in substitution for and release of all or part of said Cash.

During each month of every calendar year this agreement is in force and effect, the Bank shall report to OSMRE and Operator in writing the amount and value of the Cash then on deposit.

Upon the complete termination of this agreement, the Bank shall deliver all said Cash deposited hereunder to Operator or its nominee. Upon the partial termination of this agreement, the Bank shall deliver to the Operator or its nominee the Cash held hereunder in the amount certified in writing to the Bank by OSMRE as being the

amount of reclamation work which has been successfully completed, other bond substituted, or the amount certified by OSMRE.

8. All notice required to be given by the Bank shall be effective when received by the respective parties at their addresses specified below, namely:

Office of Surface Mining Reclamation and Enforcement

The \_\_\_\_\_ Company

or other address as such party may have furnished the Bank and to the other party in writing. Any notice to the Bank shall be



effective when received by the Bank addressed as follows:

The \_\_\_\_\_ Bank

Trust Department

Attn: Escrow Division

Escrow No. \_\_\_\_\_

Personal delivery shall have the same effect as notice given by mail.

9. Operator agrees to pay the Bank its fees for its services, including, but not limited to, the actual cost of legal services should the Bank deem it necessary to retain counsel with respect to any matters pertaining to this instrument. The fees as escrow agent shall be determined in accordance with, and shall be payable as specified in the Schedule of Fees for Escrow Services dated \_\_\_\_\_, a receipt of which is hereby acknowledged by Operator.

10. This agreement contains the entire agreement of the parties hereto with respect to said Cash, and the Bank agrees to hold and dispose of said Cash delivered to it by the Operator in accordance with the terms and conditions hereof. However, the Bank is not a

party to, nor bound by, any instrument or agreement other than this agreement, and the Bank, as custodian of the Cash deposited within hereunder shall not be required to take notice of any default or any other matter, nor be bound by or required to give any notice or demand, nor be required to take any action whatsoever, except as hereinbefore provided.

11. The parties have satisfied themselves as to the authority of any persons signing this agreement in a representative capacity. Should it be necessary for the Bank to accept or act upon any instructions, directions, documents or instruments signed or issued by or on behalf of any corporation, partnership, governmental entity, trade-name, fiduciary or individual, it shall not be necessary for the Bank to inquire into the authority of the signer(s) unless and to the extent expressly provided in this agreement.

12. This agreement may be altered or amended only with the consent of the parties and with the consent of the Bank. Should the parties attempt to change this agreement in a manner which, in the Bank's sole discretion, is deemed undesirable, the Bank may resign as escrow agent by notifying the parties in writing; otherwise, the Bank may resign as escrow agent at any time upon thirty (30) days prior notice to OSMRE. In the case the Bank resignation, the only duty of the Bank, until a successor escrow

agent shall have been appointed and shall have accepted such appointment, shall be to hold and dispose of the Cash in accordance with the original provisions contained in this agreement (but without regard to any notices, request, instructions or demands received by the Bank from either or both of the parties after the notice of resignation shall have been given, unless the same shall be a direction by both parties that the entire funds be paid or delivered out of escrow).

13. Operator warrants to and agrees with the Bank and OSMRE that, unless otherwise expressly set forth in this agreement, there is no security interest in the Cash fund or any part thereof; no financing statement under the Uniform Commercial Code is on file in any jurisdiction claiming a security interest in or describing (whether specifically or generally) the Cash fund or any part thereof; and the Bank and OSMRE shall have no responsibility at any time to ascertain whether or not any security interest exists in the Cash fund or any part thereof or to file any financing statement under the Uniform Commercial Code with respect to the Cash fund or any part thereof.

14. Bank warrants to and agrees with the Operator and OSMRE that the Cash fund is federally insured and made payable upon demand to OSMRE in accordance with section 6 of this agreement.

IN WITNESS WHEREOF; the parties have hereunto set their hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

BY: \_\_\_\_\_

BY: \_\_\_\_\_

THE \_\_\_\_\_ COMPANY

OPERATOR:

BY: \_\_\_\_\_

President

ATTEST:

\_\_\_\_\_

Secretary

\_\_\_\_\_ BANK

BANK:

BY: \_\_\_\_\_

Title

ATTEST:

\_\_\_\_\_

The foregoing instrument was acknowledged, subscribed and sworn to before me this \_\_\_\_\_ day or \_\_\_\_\_, 19\_\_, by \_\_\_\_\_ and \_\_\_\_\_.

WITNESS my hand and official seal.

\_\_\_\_\_

NOTARY PUBLIC

My commission Expires:

\_\_\_\_\_

THE STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_