

Operation Type: _____ Permit/Order#: _____ Operator Number: _____

Instrument No.: _____ Maturity Date: _____

(TYPE OR PRINT USING BLACK or BLUE INK)

BOND OR IRREVOCABLE LETTER OF CREDIT

For Closure and Reclamation of: Hydrocarbon Recycling/Reclaiming Facility, OAC 165:10-8-1; et seq; Commercial Recycling Facility, OAC 165:10-9-4; Flow Back Water Pit with Capacity in Excess of 50,000 Barrels, OAC 165:10-7-16(f); or Commercial Disposal Well Facilities, OAC 165:10-5-5(f)

KNOW ALL MEN BY THESE PRESENTS:

That _____, as Operator/Principal,
(Name of the Operator, Company or Individual)

Mailing Address: _____ Physical Address: _____
(All Operators **MUST** include a Physical Address)

City _____ State _____ Zip Code _____

Telephone Number: _____

Contact Person: _____ Email Address: _____

And that _____, as Surety,
(Name of Financial Institution)

Mailing Address: _____ Physical Address: _____
(All Financial Institutions **MUST** include a Physical Address)

City _____ State _____ Zip Code _____

Telephone Number: _____

Contact Person: _____ Email Address: _____

authorized to do business within the State of Oklahoma, are held and bound unto said State in the penal sum of \$ _____ Dollars, lawful money of the United States, for which payment will and truly be made, we bind ourselves, and each of us, and each of our heirs, executors, administrators, or successors, and assigns jointly and severally, firmly by these presents.

Lands covered under this financial instrument are as follows:

Quarter Section _____, Section _____, Township _____, Range _____, County _____, Oklahoma

Name of Facility: _____

Operator No. _____

Instrument No. _____

The condition of this obligation is that whereas the above bounden principal proposes to operate a hydrocarbon recycling/reclaiming facility, a commercial recycling facility or a flow back water pit with a capacity in excess of 50,000 barrels at the location designated above pursuant to OAC 165:10-8-1, et seq., OAC 165:10-9-4 or OAC 165:10-7-16(f) and such principal agrees to operate said hydrocarbon recycling/reclaiming facility, commercial recycling facility or flow back water pit in compliance with Oklahoma Corporation Commission rules and pursuant to the manner prescribed by the laws of the State of Oklahoma and the General Rules and Orders of the Corporation Commission.

Now, therefore, if the above bounden principal shall properly close and reclaim the hydrocarbon recycling/reclaiming facility, commercial recycling facility or flow back water pit covered by this instrument at the time and in the manner prescribed by the laws of the State of Oklahoma and the General Rules and Orders of the Oklahoma Corporation Commission of the State of Oklahoma, then this obligation shall expire at that time; otherwise, the same shall be and remain in full force and effect. It is a condition of this instrument that it auto-renews on the maturity date, without an amendment or continuation certificate, for one-year periods until released by the Oklahoma Corporation Commission's Surety Department.

This obligation may also be terminated upon six (6) months' notice in writing by certified mail, return receipt requested, to the Manager of the Oklahoma Corporation Commission's Surety Department, Oil and Gas Conservation Division, and evidence furnished of alternate surety which is acceptable to the Commission's Oil and Gas Conservation Division, if such alternate surety is required. Any attempted termination of this obligation is not effective, however, until this obligation is released by the Surety Department of the Commission's Oil and Gas Conservation Division.

PROVIDED, HOWEVER, the aggregate liability of the surety hereunder this agreement shall in no event exceed the total sum of this financial instrument.

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 of the issuing bank by mail at the physical address, facsimile, or electronic transmission at the above listed address/number.

Witness our hands and seals this _____ day of _____, 20 ____

Signature of Officer of Financial Institution

Type or Print Name and Title of Officer Listed Above

Name of Financial Institution

(If the principal is a corporation, this financial instrument must be executed by a duly authorized officer with the seal of the corporation affixed. If the principal or surety executes this bond by agent or attorney in fact, evidence of the authority of the agent or attorney in fact to execute this bond must accompany this instrument.)