



United States Department of the Interior
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT
WESTERN REGIONAL COORDINATING CENTER

SURETY BOND

Bond No. _____

KNOW ALL MEN BY THESE PRESENTS, THAT THE UNDERSIGNED

(Name of Corporation - Permittee)

(Street Address) (City) (State) (ZIP)

a corporation organized and existing under the laws of the State of _____,
as Principal and _____,

(Name and Address of Surety Company)

organized and existing under the laws of the State of _____ and licensed to do
business in the State of _____, as Surety, are held and firmly bound unto the
United States Office of Surface Mining Reclamation and Enforcement (OSM) in the sum of
_____ (\$ _____),

for the payment of which sum we hereby jointly and severally bind ourselves, our successors, and
assigns.

THE CONDITION OF THE ABOVE OBLIGATION is such, that:

Whereas, the above named Principal has submitted Permit Application No. _____,
including a mining and reclamation plan, to conduct and reclaim a surface coal mining operation,
as defined pursuant to the Surface Mining Control and Reclamation Act of 1977, 30 U.S.C.
§1201 *et seq.*, (the Act) and its attendant regulations; and

Whereas, the Principal has chosen to file this performance bond as a guarantee that the
reclamation of the land disturbed during this surface mining operation will be completed as
required by the Act and 30 CFR Chapter VII, and as specified in the Permit as issued;

Whereas, the Surety, and their successors and assigns agree to guarantee the obligation
and to indemnify, defend, and hold harmless the United States Office of Surface Mining
Reclamation and Enforcement (OSM) from any and all losses and expenses which OSM may
sustain as a result of the Principal's failure to comply with the condition of the obligation;

Whereas obligations guaranteed by this performance bond shall be in effect for the
following described lands approved as the permit area or increment upon which initial or

Permit No. _____

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Bond No. _____

succeeding operations will be conducted: . . . (If more space is needed use an attachment signed by the Surety)

Now, if the Principal faithfully completes all reclamation and abatement requirements set forth in the Act, in 30 CFR Chapter VII, and in its Permit, including the mining and reclamation plans, then this obligation shall be void; otherwise, it shall remain in full force and effect:

- (a) beginning on the date of the approval and issuance of Permit No. _____ and extending until all reclamation, restoration, and abatement work pursuant to the Act, 30 CFR Chapter VII, and the permit has been completed to the satisfaction of the Office of Surface Mining Reclamation and Enforcement; and,
- (b) until the bond is released pursuant to 30 CFR §800.40, replaced in accordance with 30 CFR §800.30, or until the permit has been sold, reassigned or otherwise transferred in accordance with 30 CFR §774.17; and
- (c) for a minimum period of _____ years, notwithstanding the requirements of sub-paragraphs (a) and (b) above, it being further understood that if the Principal performs any augmented seeding, fertilization or other supplemental reclamation work on the site prior to bond release, the period of liability under this bond shall begin again subject to the exception found in 30 CFR § 816.116(c)(4) or 30 CFR §817.116(c)(4).

The failure of the Principal to fulfill the obligations specified by the Act, 30 CFR Chapter VII, and its permit, shall result in a forfeiture of this performance bond according to the procedures described in 30 CFR §800.50.

The Surety shall not cancel this bond at any time for any reason, including non-payment of premium or bankruptcy of the Principal during the period of liability. The amount of the Surety's liability may be adjusted by OSM pursuant to 30 CFR §800.15 for lands covered by this bond which have not been disturbed by the Principal, upon application by the Principal pursuant to 30 CFR §774.13 for revision of the Permit to delete such acreage, and approval by OSM of such revision.

The Surety will give prompt notice to the Principal and to OSM of any notice received or action filed alleging the insolvency or bankruptcy of the Surety, or alleging any violations of regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

In the event the Surety becomes unable to fulfill its obligation under the bond for any

reason, notice shall be given immediately to the Principal and to OSM.

Upon the incapacity of the Surety by reason of bankruptcy, liquidation, insolvency, or suspension or revocation of its license, the Principal shall be deemed to be without bond coverage in violation of 30 CFR §800.11, and subject to enforcement actions described in 30 CFR §800.16(e)(2).

IN WITNESS WHEREOF, the Principal and Surety have hereunto set their signatures and seals as of the dates set forth below.

PRINCIPAL

Date _____

(Corporation/Permittee)

(Affix Seal)

By: _____

¹ (Corporate Officer)

Title: _____

ACKNOWLEDGMENT OF CORPORATION - PERMITTEE

On this ___ Day of _____, _____, before me, a Notary Public in and for the County of _____, in the State of _____, appeared _____ to me personally known who, being by me fully sworn, did say that he/she is _____ of _____, the corporation named in and which executed the within instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, 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

¹Where one signs by virtue of Power of Attorney or Corporate Resolution for a Surety Company or corporate Principal, such certified Power of Attorney or Corporate Resolution must be filed with this bond.

SURETY

Date _____
(Corporate Surety)

(Affix Seal) By: _____

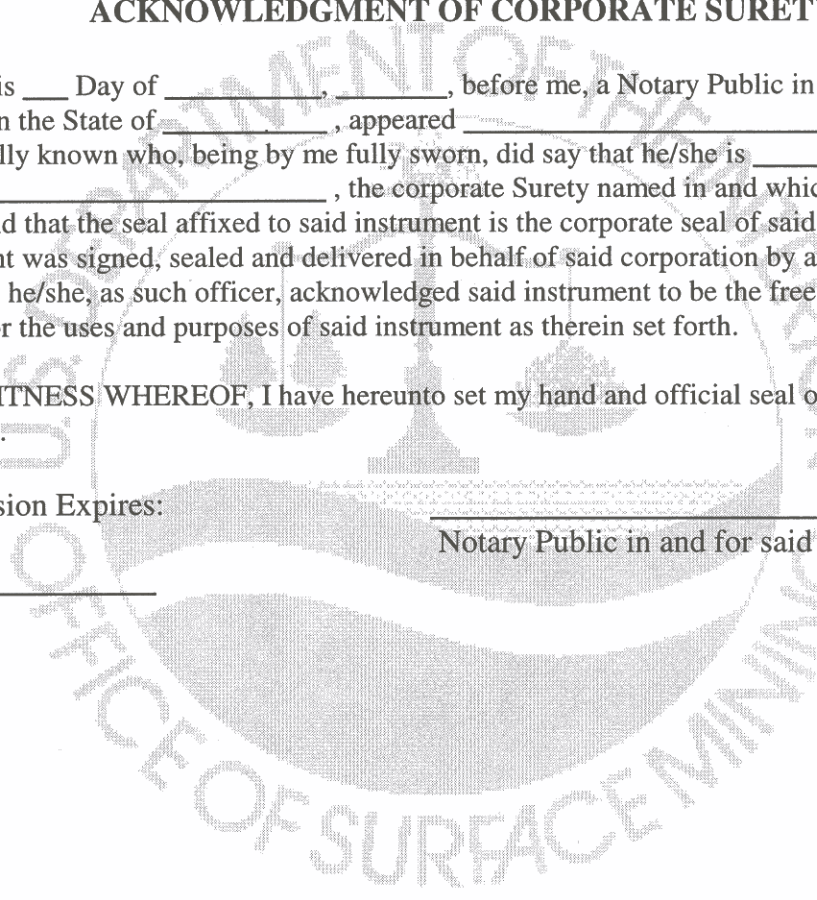
Title: _____
² (Attorney-in-Fact)

ACKNOWLEDGMENT OF CORPORATE SURETY

On this ___ Day of _____, before me, a Notary Public in and for the County of _____, in the State of _____, appeared _____ to me personally known who, being by me fully sworn, did say that he/she is _____ of _____, the corporate Surety named in and which executed the within instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, 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



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²If applicable, the name, address, and phone number of the Agency representing the Surety Company: _____
