

IRREVOCABLE COMMERCIAL LETTER OF CREDIT
For Closure and Reclamation of Commercial Pitt(s) OAC 165:10-9-1(d)

(TYPE OR PRINT USING BLACK OR BLUE INK)

*Permit/Order#: _____ *Operator Number: _____

*Letter of Credit #: _____ *Effective Date of Letter of Credit: ____/____/____

Beneficiary: Oklahoma Corporation Commission

*Name of Operator: _____

*Name of Bank: _____

*Bank Mailing Address: _____ *City: _____ *State: _____ *Zip: _____

*Bank Contact Person: _____ *Bank Telephone Number: _____

Bank Email Address: _____

We hereby authorize you to draw upon the banking institution stated on this form 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 Oklahoma Corporation Commission entered pursuant to and in aid of the enforcement of the Commission.

*Land(s) covered under this instrument are as follows:

*Quarters: _____ *Section: _____ *Township: _____ *Range: _____ *County: _____

*API # (if applicable): 35- _____ *Name of Facility or Well: _____

*Latitude: _____ *Longitude: _____ *Permit/Order Number Authorizing Operation: _____

The condition of this obligation is that whereas the above bounden operator proposes to operate a commercial pit pursuant to OAC 165:10-9-1 and such operator agrees to operate said commercial 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.

This Letter of Credit matures on * _____ (this date, and any automatically extended maturity date, being the "Maturity Date"). It is a condition of this Letter of Credit that it shall be automatically extended without amendment for additional periods, each of one year in duration. If the above bounden operator shall properly close and reclaim the commercial 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 upon written consent from the Oklahoma Corporation Commission; otherwise, the same shall be and remain in full force and effect. It is a condition of this instrument that it is continuous in nature until released by the Commission; in no event will this instrument expire, cancel, modify, or terminate without prior written consent of the Commission.

This obligation may be terminated upon six (6) months' notice in writing by certified mail, return receipt requested, to 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 in writing.

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 ____.

*President/Vice President of Bank

*Authorized Bank Representative

Letter of credit must be executed by at least one authorized individual as designated by the banking institution, if the bank has a list of those representatives, please attach the list to the original of this letter of credit upon submission.